Western Crop Placed At 225,000,000 Bus.

Tomorrow's Market Leaders—Noranda

8-Page Supplement Union Gas Company

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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 14

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The Nation's Business

Would Wage Cuts Restore Business? Are Inevitable in Any Event. Debt Increases Are Unsound

Wage Cuts and Employment

DANGEROUS doctrine is preached by the Montreal Daily Star in an editorial which undoubtedly reflects the opinion of many unthinking people in Canada. The Star objects to salary cuts by the provinces of Saskatchewan and Manitoba. "If any business in the country can afford to keep up its payrolls it is the country itself either as a Dominion or as a province. It has unlimited resources. It can borrow money and pay later," argues the Star.

Here we have the old familiar argument that is back of all demands for governmental extravagance. "It doesn't cost anything for a government to spend money because it can borrow to pay the bills." One may question at the moment if at the present time either of the two provinces mentioned would be able to borrow any large amount on favorable terms at all. They have already gone so far in spending the future incomes of their citizens that their credit has been definitely impaired. If the public would only realize it, we are approaching the margin of a genuine crisis in provincial finance in Canada. The rising debts of our provinces are a potential menace to the security of our future. And in the face of this fact, obvious to every financial leader in Canada although not proclaimed from the housetops, we have one of the leading daily newspapers in Canada arguing that any addition to the public debt of two of the western provinces would be "known to no one except the auditors" and "could be paid off easily in some future year of bounteous prosperity". There will be no future years of bounteous prosperity in Canada if, by public extravagance and a failure to recognize a financial crisis when we see it, we pile up government debt burdens as we have been doing in the past and as practically every important borrowing government in the world has been doing, in many cases — England, Argentina, Brazil, Germany, Australia for example— with serious current consequence.

* * *

BUT there is a more pointed fallacy in the Montreal Star's editorial. This is its argument that "the very worst thing that can be done today to deepen the depression which is paralyzing enterprise, discouraging trade, crippling industry and curtailing consumption is to reduce the purchasing power of the community", the latter phrase being the Star's reverse euphemism for salary or wage reductions.

One may question if a policy of expense reduction in business, involving lower salaries and scales of wages per working hour will prolong the depression. In fact is not a policy of wage reduction the way out of the depression now, and the way to end unemployment?

* * *

MILLIONS of men are unemployed throughout the world. The chief reason they are unemployed is that the economic scheme is out of joint. Many groups of producers—farmers for instance—find the wages of their toil drastically reduced while the prices of the commodities they buy have not been brought in line. When balance has been achieved all around, trade will start to flow in old familiar channels and everyone will be better off. Their incomes may be less in dollars but they will be just as high in service, comfort and enjoyment. Wages are coming down and this includes the wages of brain, brawn, money and land. No amount of editorial scribbling can stem the movement.

* * *

CONSIDER what could be done to end unemployment quickly if wages in certain key industries—the construction industries and the steel trades for example, were adjusted at once. Millions of dollars that is awaiting a favorable time for investment in new construction would buy new construction if it could be thrown on the bargain counter along with copper, oil, fish, grain and other commodities that are there now. Thousands of men would find jobs. Their work would create jobs and buying power that would, in turn, employ many other thousands. Soon the whole machine would be geared to a faster tempo.

* * *

THE most insistent argument heard against such a policy of bringing wages quickly into a line with prices of other commodities and services—that is, in line with the lower cost of living—is that it reduces purchasing power. But could purchasing power be reduced much below present levels? At the present time we have vast armies of people with no incomes and therefore no purchasing power. They are being supported through the relief or quasi-relief efforts of the state and the cost of this work is being paid by those who have jobs—but who in most cases

(Continued on page 2, col. 3)

B. C. PACKERS SET OBJECTIVE 100,000 CASES

Drastic Cut in Pack is Aimed to Reduce Inventories

FUTURE BRIGHTER

Study of Conservation Measures Shows That Future Large Runs Can Be Expected

British Columbia Packers is this year packing the smallest amount of canned salmon in the recent history of the company. Objective of the company is stated to be a pack not in excess of 100,000 cases. It is understood also that the company plans to pack only sockeye salmon relying upon its accumulated supplies of pinks for the coming season's needs.

While a 100,000-case pack means only a small revenue for the company on the year's operations it also means that there will be a drastic reduction in the company's expenses. Ordinarily the company charters many independent boats to bring in the catch but this year it is relying upon its own fleet of 32 power boats and a number of smaller craft. A number of the 39 packing plants will not be opened at all this season.

Figures Show Decline

As an indication of how the projected pack compares with the output of other years, the following figures may be cited, showing the salmon pack of the company since 1923:

	Cases
1923	411,052
1924	536,074
1925	596,419
1926	978,537
1927	788,632
1928	797,000
1929	667,271
1930	1,059,408

Last year's pack of over a million cases was phenomenal and unprecedented. The company had hoped, with such a large pack and with a large reduction in its operating costs, to enjoy a profitable season but dumping of salmon on world markets by Russian and Japanese packers effectively killed any prospect and at the end of the season the company found itself with a large carryover of salmon which it was forced to write down to new and lower price levels. Inventory values were written down $2,000,000 and caused the company to show a loss of a million and a quarter dollars before dividends.

Advertising is Limited

The company entered into an extensive advertising campaign earlier in the year, designed to move into Canadian consumption a large part of the accumulated inventories that might in normal times have been readily absorbed on world markets. But this campaign was hardly under way when a competitive price situation developed in Canada that limited the advertising's effectiveness and the publicity campaign was greatly modified as was also a campaign of publicity started by the Canadian government in co-operation with the various coast salmon packers.

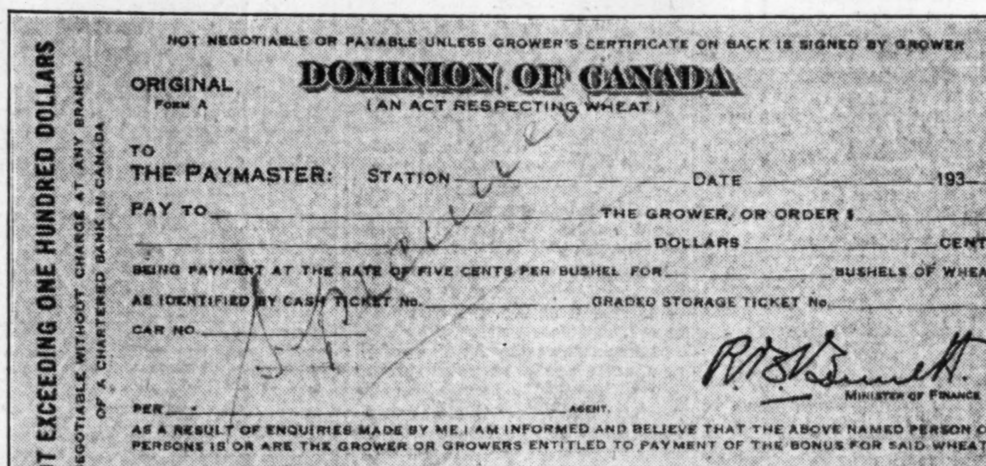
Foresee More Big Runs

From Our Own Correspondent

VANCOUVER. — The enormous increase in the run of salmon last season in British Columbia waters was a puzzle to fishermen and packers alike. There seemed to be no satisfactory explanation for it,

(Continued on page 2, col. 5)

Thousands of Wheat Bonus Cheques Now Go Out



NOT NEGOTIABLE OR PAYABLE UNLESS GROWER'S CERTIFICATE ON BACK IS SIGNED BY GROWER

NOT EXCEEDING ONE HUNDRED DOLLARS

NEGOTIABLE WITHOUT CHARGE AT ANY BRANCH OF A CHARTERED BANK IN CANADA

ORIGINAL Form A

DOMINION OF CANADA

(AN ACT RESPECTING WHEAT)

TO THE PAYMASTER: STATION ______ DATE ______ 193__

PAY TO ______ THE GROWER, OR ORDER $ ______

______ DOLLARS ______ CENTS

BEING PAYMENT AT THE RATE OF FIVE CENTS PER BUSHEL FOR ______ BUSHELS OF WHEAT

AS IDENTIFIED BY CASH TICKET No. ______ GRADED STORAGE TICKET No. ______

CAR NO. ______

R. B. Bennett MINISTER OF FINANCE

PER ______ AGENT.

AS A RESULT OF ENQUIRIES MADE BY ME I AM INFORMED AND BELIEVE THAT THE ABOVE NAMED PERSON OR PERSONS IS OR ARE THE GROWER OR GROWERS ENTITLED TO PAYMENT OF THE BONUS FOR SAID WHEAT.

______ AGENT

A special staff of 40 government officials have been working at top speed at Winnipeg, for many days to organize a prairie-wide distribution of the unique pink and purple cheques signed by R. B. Bennett, Minister of Finance, and which will shortly bring a small though welcome cash bonus to every grower of wheat in the prairie west.

As is now well known, every grower of wheat in the three provinces will receive a bonus of five cents a bushel for his crop whether he owns it or not. This bonus cannot be assigned so must come as direct cash straight from the government coffers to those (who perhaps more than any one else) are carrying the burden of deflated commodity prices. Between $6,000,000 and $8,000,000 it is expected will be paid out in this way by the time the 1931 wheat crop is harvested and delivered.

What will actually happen is that the blank cheques will be distributed during the present week to elevator companies, commission merchants, track buyers and grain dealers throughout the country. There are two kinds of cheque, a pale pink one where the sum does not exceed $10 and a purple one where the sum does not exceed $100. When the farmer delivers his wheat, the dealer or agent will fill out this cheque and thereupon each and every branch of a Canadian chartered bank throughout the prairies will become the government's agent and will have instructions to cash the cheque at par and without charge for the grower.

Not even a cheque stamp will be required on the government's bonus cheques it is understood. Bonus cheques will be honored up until July 31, 1932, the end of the present crop year.

West. Wheat Crop Likely to Exceed 225,000,000 Bus.

High Quality of Crop Proves Encouraging Feature

RETURNS SPOTTY

Yields Vary from Practically Nothing to Very Heavy—Protein Content Higher

By KENNETH R. WILSON, Staff Editor, The Financial Post

WINNIPEG.—Grain officials and crop experts expect the Prairie wheat crop to be not less than 225,000,000 bushels although no official or private estimates have been published as yet. This, as far as Saskatchewan is concerned, is little better than half what has come to be expected as normal in recent years and compares with about 395,000,000 bushels harvested by the three provinces in 1930 and 281,000,000 bushels in 1929. In addition, of course, between 20,000,000 and 25,000,000 bushels will be harvested by Ontario and other provinces.

In this Prairie total, Alberta will probably rank first, the expectation being that 100,000,000 bushels will be harvested by that province alone as compared with 130,000,000 bushels a year ago and 92,000,000 in 1929. Saskatchewan will, of course, take the worst drop and her total may not reach much more than 100,000,000 bushels, which is only a half crop for the leading wheat-grower of the Dominion.

One encouraging feature of the

(Continued on page 2, col. 4)

MacLachlan Moves To Maple Leaf Mills

Maple Leaf Milling Co. announce the resignation of Norman P. Lambert, acting manager of the company, and the appointment of D. Campbell MacLachlan as general manager with effect from October 1. Mr. MacLachlan has had long experience in the grain and milling business, being vice-president and managing director of the Western Grain Co. Ltd., of Winnipeg.

An addition to the Maple Leaf directorate is also announced in the person of Arnold C. Matthews, general manager of Canadian Malting Co.

OVER 94 PER CENT OF LAKE SUPERIOR STOCK DEPOSITED

New Algoma Consolidated Shares Are Being Issued

From Our Own Correspondent

MONTREAL—Good progress is being made in exchanging certificates of Lake Superior Corp. for those of the new company, Algoma Consolidated Corp. Recent figures indicate that over 94 per cent of Lake Superior shares have been deposited for exchange and that over 270,000 new shares of Algoma Consolidated have been issued. The basis of exchange is one preferred and common share of Algoma Consolidated for one common share of Lake Superior Corp. There were issued 400,000 shares of Lake Superior common.

The financial statement of Lake Superior Corp. and its subsidiaries should be published shortly after September 15. Naturally interest will centre in figures covering activities of Algoma Steel Corp., the major source of revenue; the latter company's profit and loss account is expected to show a sharp decline from the previous year.

Steel Industry Slumps

While in the fiscal year ended June 30 1930, Algoma Steel was able to maintain its earnings at a fairly high level,—$2,823,482 as compared with $3,494,367 in the previous year, operations at the Soo in the past twelve months have reflected the general contraction in the Canadian steel industry. Steel production has fallen off and as one of the main producers in the Dominion, it is likely that Algoma Steel profits will reflect the situation.

At the present time it is understood that the rehabilitated rail mill which came into operation early this year is active. The extent of the orders has not been made public but it is thought they constitute a large volume. It will be remembered that the mill was remodelled late last year and is presently capable of turning out 130-pound rails. In January, the company received an order for 30,000 tons of such rail from the Canadian Pacific Railway, sufficient to keep it busy on single shift for two months.

Alberta Has Heavy Clip

Shipments of wool from Southern Alberta to the Canadian Co-operative Wool Growers' Warehouse at Weston, Ont., have broken all records, according to a report issued by N. T. Macleod, secretary of the Southern Alberta Sheep Breeders' Association. Deliveries made to date aggregate 1,800,000 pounds, the wool clip being unusually heavy this year.

Toronto Elevators Makes Good Progress

Increased Earnings in Current Year May Result in Initial Distribution on Common; Current Position Good

Toronto Elevators, Ltd., is reported to have had an excellent business during July and August and, with the fiscal year of the company ending on September 30, a very considerable increase in earnings on the common shares is assured for the current year over the year ended Sept. 30, 1930, when $1.94 a share was earned on the 25,000 shares of no par value common stock outstanding. At the end of the first nine months of the current year it was reported that preferred dividends for the period had been earned twice over after full allowance for depreciation and income tax. This rate of earnings has been maintained and the company may be able to show as high as $6 a share on the common stock this year, dependent, however, on the amount of write-offs and adjustments made at the end of the year.

Last year a substantial provision was made for writing off accounts receivable which reduced the earnings on the common shares. Collections are understood to have been reasonably good during the current year and the current position has been considerably improved. Write-offs on the scale of 1930 should not be necessary this year and the company will be able to add materially to surplus account.

Possibility of the directors making an initial declaration of some sort on the common stock is not considered unlikely although no action has been taken to date. There have been rumors to this effect in the past but the directors have been primarily interested in reducing bank loans and in building up surplus account. Bank loans have been very greatly reduced during the past year and, if the company has no immediate plans for extension of its properties, it would appear that some payment might very well be made on the common stock.

Since there are only 25,000 shares of common a disbursement of $1 per share would be earned amply during the current year and would still permit a very substantial increase in surplus account over last year. Common shares are listed on the Toronto Curb and in recent months have been selling at $11 although a recent sale was made at $13. The stock is closely held and is not actively traded. Chief public interest in the company is in the 7 per cent preferred stock of $100 par value of which there is $1,500,000 outstanding. This is the senior security of the company and is convertible in the common stock on a three for one basis.

Both units of the company are believed to have shown satisfactory earnings during the current year. The Toronto elevator has a capacity of 2,000,000 bushels and that at Sarnia a capacity of 3,000,000 bushels. Both elevators are well filled at the present time and the excellent showing of the past year has been made in the face of generally adverse conditions in the grain trade.

LINDSAY SALES RECORD DECLINE IN FIVE MONTHS

Collections Maintained at Level of Last Year

From Our Own Correspondent

MONTREAL—Net sales of C. W. Lindsay Co., for the first five months of the current fiscal year to July 31 were about 22 per cent below those of the same time last year. The company is a retailer of musical instruments and a short time ago added electric refrigerators to its distribution.

Collections to date are practically on the same basis as last year; in fact it is understood that the actual percentage is 99 as compared with 1930. This is an important factor in the company's business since the greater part of its sales are made on the instalment plan. At the end of the last fiscal year, February 28 1931, accounts receivable, including accrued interest but less reserve for cancellations amounted to $2,041,473

The fact that the company has been able to maintain its collections in face of present conditions is encouraging. A reserve against cancellations totalling $98,504 had been set at the end of last year; all sales are also protected by a lien in the company's favor.

Though sales are lower this year it has been stated that earnings are not likely to reflect a similar decline since various economies have been placed in effect. Much depends on business in the next four months, as far as profits this year are concerned, for a large portion of C. W. Lindsay's profits are derived in the latter part of the year when the Christmas and New Year's trade help to boost sales.

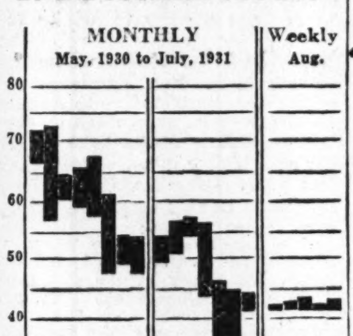
Earnings Were Lower

Earnings in the year ended February 1931 were $153,455 as compared with $274,179 in the previous period. Profits on the common, after all deductions, were equal to $2.90 a share as against $6.03 a share in 1930. Funded debt and preferred stock were reduced a factor which will work in favor of the common shareholders this year.

The shares are currently quoted around 10 at which price the dividend of $1 returns 10 per cent while the preferred is traded in around 67 on the Montreal Stock Exchange yielding over 9 per cent.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Sept. 1	43.1	41.9
Week of Aug. 25	43.3	41.6
Month of Sept., 1930	68.3	57.7
8 Bank Stocks		
Week of Sept. 1	223	221
Week of Aug. 25	224	222
Month of Sept., 1930	263	252
10 Public Utilities		
Week of Sept. 1	67	65
Week of Aug. 25	68	65
Month of Sept., 1930	96	86

MONT. COTTONS RECORDS GAINS FOR 7 MONTHS

Improvement Seen in Shipments and Orders

STEMS DECLINE

Installation of New Equipment Should be Complete by Year End

From Our Own Correspondent

MONTREAL. — Bookings and shipments of Montreal Cottons Ltd., one of the big four in the Canadian textile industry, have shown some improvement in the first seven months of this year. In recent months the stimulus has become rather more apparent and while officials are quick to disclaim any marked gains it is encouraging to note that the tide of the company's affairs for the time being at least, has turned.

The betterment in Montreal Cottons is also significant when viewed from the broader angle. There has been an improvement in textile operations in the United States recently which is apparently finding some reflection in Canada. Boot and shoe production here is also showing gains; a quickening of activity in these two industries is considered a forerunner of improved business.

Has Stemmed Decline

Be that as it may, Montreal Cottons appears to have stopped the steady decline which has been apparent in its earnings for the past five years. Earnings of $446,330, after depreciation, in 1925 shrank steadily to an operating loss of $329,361, before depreciation, last year. Earnings equal to $8.33 a share on the common stock in 1925 were eliminated last year and surplus was reduced from $1,214,851 five years ago to $449,036 at the end of 1930.

Dividends have been maintained without change. The preferred needs are $210,000 each year and the common disbursement of $6 a share requires $180,000 annually, but full dividends on both classes of stock have not been earned since 1926. The present surplus also includes a sum of $450,000 transferred from special contingent account in 1930.

Stock Interest Narrows

Investment interest in Montreal Cottons, however, has tended to narrow considerably in recent years. Dominion Textile Co. which had a stake in the company for many years has added substantially to its holdings of the common stock and it is generally understood that control has now been acquired.

Certainly Dominion Textile Co. is taking a much more active interest in the affairs of Montreal Cottons and appointment of F. G. Daniels, president of the former, as president of Montreal Cottons in 1930 was one of several changes in organization and operating policies of Montreal Cottons.

Adds New Equipment

Early this year the company began a comprehensive programme of plant rehabilitation. New machinery, related to preparatory and spinning processes, together with new looms, have been installed; it is expected that all new equipment will be in place at the end of the year. A new bleachery is in process of construction now and will shortly be completed.

Old equipment in many cases has been scrapped. The new machinery gives improved quality with better production; the plant is now equipped as a fine goods, fancy and colored organization. The various changes have not hampered manufacturing operations materially as indicated by the improved sales during the current year.

Made Fortunate Deal

Montreal Cottons are fortunate in its deal with Beauharnois Power Corp. in connection with the lease of its power site for 75 years. Cash accruing from the transaction did much to strengthen cash position and enable it to tide over the difficulties of last year. In addition to receiving 5,435 shares of Beauharnois "A" stock, Montreal Cottons was given $1,975,000 in cash for its water rights at Valleyfield. Special contingent reserve at the end of 1929 thus totalled $1,469,189 after deduction of $450,000 which had been transferred to restore partially the profit and loss position.

Whether earnings will show any

(Continued on page 2, col. 3)

Bell 'Phone Fights Drop in New Units With Good Results

Keen Sales Campaign Partially Offsets Decline

TOLL TRAFFIC HOLDS

Total Revenue Still Falls Below Estimates and Dividend Needs on Stock

From Our Own Correspondent

MONTREAL. — "Though telephone installations have fallen short of the number projected for the current year, encouraging and sometimes almost surprising results have been obtained by an augmented sales campaign," said J. E. Macpherson, vice-president of the Bell Telephone Co. of Canada in commenting on the company's activity to The Financial Post. "The value and almost universal use of the service have limited cancellations to cases of necessity; while these have naturally been more than normal we have been able to offset this to a considerable extent by unremitting effort in our sales work.

"Our construction programme is going forward, with a few revisions, as originally planned and the company will spend nearly $20,000,000 this year for new equipment to take care of necessary expansion. No new financing is contemplated at the present time. Various economies have been effected which have been helpful and these, I am glad to say, have been accomplished with a minimum of disturbance to personnel."

Toll Traffic Steady

Long distance business has shown a slight decline, though volume of calls has shown a tendency to hold up well in face of the general contraction in business. At the end of the first five months of the current year it was stated that toll traffic was but 1 per cent below that of the same period a year ago which in turn was an increase of over the corresponding months of 1929.

Business conditions naturally find direct reflection in telephone activity. Unemployment compels some cancellations of telephone services, while the financial district, a heavy user of the telephone in prosperous times, is making considerably lower demand on the utility. In new telephone sales, however, it is stated that the class of business being obtained is satisfactory, a result of redoubled efforts on the part of the company to increase its installations.

Revenue Below Estimates

While current business and revenue of the Bell Telephone Co. of Canada are falling below estimates, there are several factors which can be considered encouraging. In the first place the company is going ahead with its expansion programme which means that its efficiency is unimpaired and the system will be in an advantageous position to take care of increased business when conditions improve.

A telephone company to be successful must always keep a step ahead of the demands which the public makes upon it; it must precede the development of the community rather than follow it. Consequently, though there are no large individual expenditures being undertaken this year in connection with buildings, etc., it is worth remembering that the company will spend about $20,000,000 in improving its equipment and providing for the growth of its business which will inevitably follow in the future.

Longer Toll Calls

In long distance, a division which is contributing more and more to the general volume of revenue, the

(Continued on page 2, col. 4)

Place Halifax Hotels Under Joint Control

Continued deficits from operations, due to abnormal business conditions, have led to negotiations between the Canadian Pacific Railway and the Canadian National Railways which have resulted in placing the Halifax hotels of the two railways, the Lord Nelson and the Nova Scotian, under joint control. It is probable that joint control may be established of competing hotels owned by the two companies in Vancouver.

Interest on the 6½ per cent first mortgage bonds of the Lord Nelson Hotel Co. was paid by the C. P. R. on April 1, 1931, and operation of the hotel was assumed by the railway at that time. Refunding of the present bond issue amounting to $600,000 is quite possible in the future but it is understood that nothing will be done at present along this line. The next interest payment on the bonds of Lord Nelson Hotel Co. is due on October 1.

LOW COPPER NOT LURING WARY BUYER

Invisible Stocks Believed Low While Refined Stocks Continue to Mount

The refusal of copper producers to accept bids of less than eight cents per pound in the United States, with a period of hesitancy toward buying, is resulting in continued accumulation of copper stocks.

Sustained low copper prices are looked for, with further substantial reductions in output. Whether this move will be accomplished through united action on the part of all the producers or through the slow elimination of the marginal producers is still problematical. Either way it is anticipated that progress will be toward a more drastic downward revision of mine operations before the end of 1931.

Prices Lowest on Record

Copper prices are the lowest on record and below the production costs of the majority of the companies. It is regarded as improbable that materially lower quotations will be established this year since a definite start toward reduction of excess supplies will be made before the end of 1931. In fact, it is stated that a more reasonable expectation is for intermittent periods of price strength during coming months.

Coincident with the midsummer dullness of the general business, the copper industry has indicated but little activity during recent weeks because of the fact that the producers quite generally are definitely refusing to accept bids for copper at prices under eight cents, pending the institution of some specific programme for future action. Shipments for August will be confined largely to sales previously made, suggesting a further increase in refined stocks as at September 1. Thus far the suspended mine operations have reached only minor proportions with Magma Copper Co., United Verde Copper Co., and United Verde Extension Mining Co., being the only principal properties now closed.

According to one review, that of Standard Statistics, New York, conflicting rumors are appearing with regard to the possibilities of a complete shut-down, pending the revival in industrial demand. Partial responsibility for these divergent reports emanates from the eternal hope among the lower cost producers that sufficient production will be involuntarily suspended from the less profitable properties to allow a portion of the excessive supplies of refined metal to be absorbed into consumptive channels.

(Continued on page 2, col. 3)

Say Beauharnois Bonds To Sell on 5.75 Basis

From Our Own Correspondent

MONTREAL.—Details of further financing in connection with Beauharnois Power Corp. are awaited with interest, rumors that an issue of $46,000,000 or some portion thereof of first mortgage bonds of Beauharnois Light, Heat and Power Co., the operating subsidiary, will be offered on a 5¾ per cent basis cannot be confirmed. It is understood that the bankers are working on plans, though any action is necessarily dependent on developments at Ottawa.

Before any financing is carried out it is to be expected that the various entanglements in the Beauharnois situation will have to be straightened out. Detailed plans of the undertaking will have to be submitted to the government while parliament will have to sanction the flow which the company seeks to divert through its canal.

Though there is a strong feeling that Montreal Power already controls the "A" stock of Beauharnois Power there are five management preferred shares held by Senator W. L. McDougald; R. O. Sweezey and Arthur F. White. These management preferred shares retain obsolute control of the company's affairs for 10 years. How this situation is to be disposed of has not yet been disclosed; it is apparent that the management shares must either change hands or be nullified in some way before further financing is undertaken.

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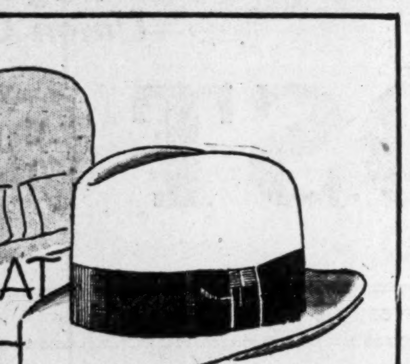

ODD, how attached a chap becomes to an old bonnet. Every bump, every spot adds to the sentimental value. But constant buffeting with Mother Nature has no doubt left the old boy limp and weary. He's due to be pensioned.

Go down to EATON'S. Don one of the new Fall felts. Smooth fitting, comfortable, it will spruce you up like an hour in the barber's chair.

We have a lot of greys and browns, in different tones. Snap brims with a rakish air and curl brims with the dignity of a vice-president.

There's a shade you'll like — a style you'll want — the price won't hold you back.

A favorite hat with many is the BIRKDALE, packed in individual boxes and priced at

$6

EATON'S—Main Floor—Queen Street.

THE T. EATON Co LIMITED

NATION'S BUSINESS

(Continued from page 1)

are working only part time on an old fictitious scale. What does it add to purchasing power for a workman to draw his old wage scale for a short week and then have a large slice of his income taken from him to support a jobless man? Purchasing power depends not upon the scale of wages but upon the volume of production.

* * *

ASSUMING for a moment our power to achieve at a stroke of a pen and overnight what is going to be achieved only through a slow and painful process of adjustment, if all salaries and wages in Canada could be cut twenty per cent the buying power of our primary producers would be raised at once by at least that much; our ability to compete with the world would be raised enormously; every man jack who is now out of a job would find someone able to pay for his services because we would be able to sell the goods he would produce, and Canada would be back on Easy Street again.

It would not be long before wages would tend to rise again, certainly as measured by the only true yardsticks, their purchasing power.

We cannot achieve such a situation overnight. But we can at least stop imposing psychological and practical obstacles to an inevitable development.

* * *

Reading Makes Good Citizens

THE Toronto Globe, August 18, in an interesting front page article referring to the big patronage of the downtown library even during the six weeks of hot summer months, says:

"All financial papers and commercial journals are available here (at the reading room of the Library) and the noon hour as well as regular business hours brings many readers in search of information found in such publications."

The greatest handicap in business in Canada today is the lack of information on the part of agriculturists, merchants, manufacturers and their employees. Canada imports millions of dollars worth of goods that could be manufactured equally well in Canada but our people do not know how to make them. Records show that the Business Press is the most effective method of conveying that information.

The Globe is to be congratulated on directing the attention of the public to the service offered by the downtown library, and thus bringing increased numbers to the library seeking information which should make them more capable business men and more valuable citizens of Canada. Increased prosperity will result, in which the daily papers, industrial firms, merchants and all classes of business will benefit.

Alberta Wheat Pool Casts Off Old Tie

From Our Own Correspondent

CALGARY. — Formal announcement, as predicted on several occasions by The Financial Post, has been made that Alberta Wheat Pool, having cut itself off from the other pools and from the Central Selling Agency, has set up its own machinery for selling grain. The organization will hold a seat on the Winnipeg Grain Exchange and conduct a grain business along the same lines as older established grain companies. It is offering facilities for pooling grain to those farmers who wish it, taking advantage of the government's offer to guarantee a thirty-five cent per bushel initial payment to those pooling wheat. Present indications are that the amount of grain pooled will be only nominal.

Beatty Bros. Ships Trainfull From Factory

Beatty Bros. Ltd. is reported to have recently shipped a trainload of 26 cars of electrical appliances from the Fergus plant, via the Canadian Pacific Railway. This constitutes the fifth complete trainload of products to have been shipped by the company. The company completed its fiscal year on August 31 and the annual report, expected to be available sometime in October, will show a decreased volume of business for the past year, but also a decrease in expenses. The company has been affected by conditions in the West and its household appliance business is also off.

The company operates plants at Fergus and London, Ont., and has some 70 branches across Canada. Employment is given to some 1,800 people. During the past year the company secured and completed a $100,000 contract for steel horse stalls installed in the new stables erected for the Canadian National Exhibition.

Call and See Us

OUR clients and other investors from out of town are cordially invited to call and have a chat with us when they visit the Toronto Exhibition. A personal talk about your investments is much more satisfactory than writing a letter.

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McLEOD, YOUNG, WEIR & CO. LIMITED
Metropolitan Building, Toronto
Montreal Ottawa London Hamilton

MONT. COTTONS RECORDS GAINS FOR 7 MONTHS

(Continued from page 1)

improvement this year remains to be seen since no figures have been made public by the company. The fact that sales have been higher does not necessarily indicate that profits will increase since raw cotton fluctuations sometimes play havoc with earnings. An indication of this was seen in operations of Dominion Textile Co. last year when sales were maintained but values were lower by 20 per cent.

Profits Should Improve

In the case of Montreal Cottons, sales in 1930 showed a decline of $1,121,686 at $3,583,219. This was due to lower volume of orders as well as to lower prices received while the low operating rate and the general decline of inventory values resulted in the operating loss of $329,360.

Through installation of new equipment, output has now been considerably diversified. Rayon is being used in increasing quantities in acknowledgement of the prevailing demand for this type of goods; given an improvement in business conditions it would appear that Montreal Cottons is in a better position to take advantage of a keener demand for textiles.

LOW COPPER NOT LURING WARY BUYER

(Continued from page 1)

Such a development is regarded as forestalling united action in complete shut-down in the industry.

See No Full Shut-Down

With small profits accruing to some producers even under current low prices and with such concerns as International Nickel and Noranda being able to continue profitable operations owing to the other metals recovered, a complete shutdown is regarded as difficult to obtain. While it is a question what means will be employed to bring about the necessary readjustment, it is becoming increasingly evident that some more drastic form of offsetting restriction must be forthcoming. With the development of large new supplies of low cost copper in Africa at a more rapid rate than previously was anticipated it is thought probable that the markets formerly supplied by the high cost United States producers will be won by the cheaper producers of South America, Canada and South Africa.

Considerable influence is being brought from Arizona and Utah toward placing copper on the dutiable list in United States, following an investigation of production costs by the United States Tariff Commission last spring. Since Congress does not meet until December next, this is the earliest date on which Congressional action can be taken for the enactment of the necessary legislation.

Although organized labor across the line will doubtless support protective measures, considerable opposition to placing copper on the dutiable list is expected. Large amounts of United States capital are invested in foreign copper properties and United States consumers of the metal are likely to discourage aggressive action for protection. Coupled with these influences is the general increased feeling among many business and political leaders in United States that the tariff policy already has been carried to extremes, and the current trend toward internationalism would not favor the extension of further protection policies.

Consumption Well Maintained

Although stocks of refined copper are the largest on record, it is thought that the invisible supplies in the hands of the manufacturers and fabricators are abnormally low. According to figures furnished by the Copper and Brass Research Association of the United States, consumption of the metal by utility companies reached a new high record during 1930, despite the fact that domestic and foreign shipments declined to the lowest levels since 1924.

Delivery of copper into consumption in the five important foreign importing countries during the early months of the current year compare favorably with similar periods in 1930. Germany, the largest consumer, had delivered for consumption 16,812 metric tons in the first four months of the current year as compared with 14,181 tons in the same period of 1930. France, too, showed an increase, while Great Britain and Japan showed a slight decline.

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HATS by WOLTHAUSEN, BROCKVILLE
Hatter to gentlemen for over half a century 35

BELL 'PHONE FIGHTS DROP IN NEW UNITS WITH GOOD RESULTS

(Continued from page 1)

outlook is encouraging. It has been noted that while there has been some decline this year the basis on which current business rests is perhaps stronger than it has ever been before. Calls are being placed over longer distances with somewhat higher earnings per average call, an indication that the company's continued campaign in connection with toll traffic is bearing good fruit.

Further, the near-completion of the all-Canada transcontinental telephone system may be expected to lead to increased use of the long distance lines of the Bell Telephone Co. of Canada. This class of transcontinental toll traffic was showing considerable strength before the current depression and it may be assumed that a return to normal will bring a resumption of this business. Now, however, long distance calls are routed by Canadian lines from the Atlantic as far as the Rocky Mountains whereas in former times a good deal of this route was covered through the use of the United States lines.

Dividend Not Earned

As far as revenue of the company is concerned there is little to say. No figures on earnings to date this year have been published but it is likely that 1931 earnings will still be somewhat below dividend requirements. Bell Telephone has had to make a very heavy capital outlay on extension of its facilities in recent years and is not yet receiving an adequate return on this investment.

In other words, the carrying charges necessitated by capital expenditure prove burdensome when the company's business falls below the line of projected normal growth, a situation which found reflection in earnings last year.

Heavy Interest Charges

Though gross income in 1930 was higher by some $619,000 as compared with 1929, heavier interest charges brought net applicable to dividends to $5,416,328 as opposed to $5,528,069 in the previous year. Dividends on the capital stock required $5,681,072 with the result that there was a deficit of $264,744 after stock needs had been met.

Investors are not expecting much improvement in this situation at the end of the current year but the fine record of the stock in the past has kept it steady marketwise. The shares are currently selling around 135 at which price they return 5.93 per cent. Evidently shareholders have little concern as regards their holdings on which dividends of 8 per cent have been paid continuously since 1891. It is perhaps of some significance that there are now 19,600 holders of Bell stock.

WEST. WHEAT CROP LIKELY TO EXCEED 225,000,000 BUS.

(Continued from page 1)

crop is its high quality, according to samples already tested by the Grain Research Laboratory of the Dominion Board of Grain Commissioners here. For Manitoba, out of 270 samples tested up to August 26, the average percentage of protein content is approximately 1½ per cent higher in each grade than last year. Canadian Grain News comments on this very satisfactory situation as follows:

"The tests conducted by Dr. F. J. Birchard and T. H. Aitken in the Research Laboratory of the Board of Grain Commissioners are both encouraging and important. They are encouraging because of the excellent protein content revealed in the wheat from Manitoba and Saskatchewan, and important because they should have a decided bearing on the reception accorded this wheat in the markets of the world. To a considerable degree the latter depends upon whether the facts in connection with the quality of western wheat are sufficiently known. It has already been noted that other exporting countries are advertising the quality of their wheat, and in one case making unfair comparisons with Canadian grades. Canada can hardly afford to miss any opportunity of showing that wheat from this country takes a leading place insofar as quality is concerned. The statistical data published elsewhere in this issue merits careful study and wide publicity. It is, of course, not so comprehensive as will be possible later in the season, but it is sufficient to demonstrate beyond all question that the excellent quality of the 1931 wheat compensates in some degree for the smaller volume harvested."

Crop is Later

Against this highly favorable report it must be remembered that the bulk of the 1931 crop will come not from the early districts as is the case in most years, but from the northern parts of Saskatchewan and Alberta which are harvested somewhat later. No final decision, therefore, can be made as to quality until this northern wheat is safely harvested.

As to grade, there seems no doubt that on the basis of early inspections, at least, wheat maintains as high a standard as at this time last year. Durum wheat inspections, which is a different type to hard wheat, have been relatively heavy and may denote that this crop was more popular in Manitoba than last year, according to the W. Sanford Evans Statistical Service. Out of 820 inspections to date, 180 were durum, while of the remainder, 586 cars or over 80 per cent ranked as No. 2 Northern or better.

Other noteworthy features of the new crop are that total production will probably be the lowest of the past ten years; that there is a wide range of yields between districts from complete failures in extreme drought areas to exceptionally heavy returns in Northern Alberta and that there have been three consecutive poor crops in large parts of Saskatchewan and similarly three consecutive good crops in northern parts of Saskatchewan and Alberta.

B. C. PACKERS SET OBJECTIVE 100,000 CASES

(Continued from page 1)

and the phenomenon, especially after a series of years indicating a rather steady decline, was put down as just another of those baffling mysteries of the sea.

But now it appears that there was really no mystery about it at all, and this fact is accepted by the British Columbia packers as the best news they have heard in a long time, in that it shows the possibility of perpetuating the great salmon runs of the rivers that flow into the North Pacific.

Solution of the mystery, which is credited to John P. Babcock, deputy commissioner of fisheries in British Columbia, means that the Fraser river may be re-established as the greatest sources of food fish in the world, and the means of developing an annual pack worth at least $30,000,000, which is considerably more than the value of the output of the entire fisheries industry in British Columbia at present.

Conservation the Clue

"It's just a question of conservation," explains Mr. Babcock, whose analyses of the salmon runs and his predictions in recent years have been almost uncanny for their accuracy. "Five years ago I predicted that there would be a big improvement in the sockeye run on the Fraser because of the re-stocking of the stream in 1926, the previous four-year cycle year. The fact that the Fraser yielded a splendid run of sockeye last season not only fulfilled my forecast, but it also supported my theory that if adequate protective measures are adopted we need not worry about the Fraser river as a source of sockeye salmon."

J. P. Babcock, a short, nimble little man with an enormous store of energy, has been studying the private life of the salmon for more than 25 years. He is regarded as the greatest authority on the sockeye salmon in the world and at present is engaged in studying the habits of the halibut and pilchard, two other fish species of enormous value to the British Columbia packing industry. The salmon, however, is his first love and if the Fraser river regains its former greatness it will be a monument to his persistent agitation for intelligent conservation.

Mr. Babcock's recent findings, contained in a special report, are regarded as of special importance now in view of the fact that the Canadian-American sockeye salmon treaty, now hanging in the balance at Washington, D.C., would give effect to the measures recommended by Mr. Babcock for control of the sockeye runs.

World Grain Show Now Up to Bennett

From Our Own Correspondent

REGINA. — Another responsibility has been laid at the door of Premier Bennett in connection with the future of the World's Grain show, planned to be held in Regina in 1932. Suggestions that the show should be abandoned in view of crop failure in large areas of Saskatchewan this year and because economic conditions will make only a small revenue probable from the show were earnestly resisted at meetings in Regina last week, between the Hon. Robt. Weir, minister of agriculture, and directors of the show. The city of Regina has already contributed $150,000, much of which has gone into erection of a building for the show. It is estimated that another $600,000 will be required from the Dominion government to carry it to a conclusion. While Mr. Weir was non-committal and undertook to put the whole situation before Premier Bennett, it is understood that he has, from the first, not been very favorable to the whole project, contending that a corresponding amount of effort and money devoted to assisting the livestock industry of the province might be of greater use. Postponing the show for a year was considered as a possible expedient but was abandoned because of the probable difficulty of again getting foreign governments committed to participation, because of conflict with other important fixtures, and also because of the feeling that a bad impression would be created if the province appeared to be putting off a competitive event until it should be in better position to compete. It is considered that there is no middle ground between complete abandonment and carrying the project through as originally planned.

Market for Maritime Hardwood

Expansion of the market in Ontario for Maritime hardwood is reported by the Saint John Board of Trade. The board cites a report from R. W. E. Burnaby, Maritime Trade Commissioner in Ontario, to the effect that one firm in that province has, in recent years taken more than 190 carloads from New Brunswick and Nova Scotia.

URGES MORE CARE IN RISK-SELECTION

J. H. Birkenshaw Says Non-Medical and Disability Loss High

Discussing the underwriting problems in present-day Canadian life insurance in an address to managers and representatives of Confederation Life Association at the final session of the Diamond Jubilee celebrations in Toronto, J. H. Birkenshaw, associate actuary of the association, stated that the co-operation of representatives in the matter of selection was of the utmost importance. This was particularly the case in connection with non-medical and total disability insurance. "The field force," he said, "are directly responsible for the results on non-medical business and the continued development of this class rests largely in their hands."

In view of the difficulties which the life insurance companies, generally, have experienced with their disability benefits, Mr. Birkenshaw's references to this subject are very timely. "The continuance of monthly income disability depends on our ability to reduce the present rate of loss, and we are looking to our representatives for a major contribution toward the solution of this problem," he said, also stressing the necessity of using careful and competent medical examiners, men who would take the time to make a thorough examination and who appreciate the importance of obtaining an accurate answer to every question.

B.B.B. LOOKS INTO FINANCE SCHEME

Investors Registry Ltd., Offers Aid But Only to Shareholders

Investors holding the debenture stock of the Toronto Suburban Railway Co. and securities of some of the defunct companies sponsored by G. A. Stimson & Co. have recently been circularized by Investors Registry Ltd. This company, it is stated, has considerable information in regard to the security held by investors which will be made available to shareholders at an early date. Investors Registry Ltd. has been investigated by the Toronto Better Business Bureau and is the subject of comment in a recent bulletin of this organization.

Investors Registry Ltd. was organized in July, 1931, and has an authorized capitalization of 5,000 class A shares and 5,000 management shares. Class A shares are being offered at $5 per share, sales being restricted to one share per person. Officers of the company are W. G. Whately, president; A. A. La Fleur, vice-president, and M. Bellamy, secretary-treasurer. The management of the company is understood to have formerly been connected with G. A. Stimson & Co.

The extent to which Investors Registry Ltd. can supply information to its shareholders, not already available from highly reputable sources, or can solve the problems confronting the companies whose security holders have been circularized is in considerable doubt. It is pointed out that should all of the 5,000 class A shares be sold the treasury of Investors Registry Ltd. would get only $25,000 at the most and this amount would not be sufficient to undertake any constructive work. After quoting part of the circular letter sent out by the company, the Better Business Bureau states: "Investors Registry Ltd. are promoting the sale of stock in their own company at the present time and it is not clear just how they can assist the Canadian National Electric Railway debenture holders. It should be noted that the information will be available to 'shareholders' of Investors Registry Ltd."

WESTERN BREWING BUSINESS IS SLACK

Despite a reduction in sales, operating profits of Western Breweries Ltd. have been maintained at a point sufficient to take care of full monthly depreciation and other reserves, according to a letter to shareholders sent out by G. M. Black, president of the company. Steady progress is reported in the reduction of bank loans and current liabilities, bank loans having been reduced by $142,000 and current liabilities by $100,000 in the year ended July 31, 1931. Since that date further reductions have been made.

On January 1, 1931, $50,000 of the 7 per cent serial bonds were retired leaving $450,000 outstanding and $2,447,860 of common stock of $10 par value. There is also $36,500 of preferred stock of one of the subsidiaries outstanding which is redeemable at will. All plants operated by the company are stated to be in good physical condition and sales of soft drinks have been well maintained.

Economies in operating costs have been effected during the past year and amounted to $54,000 in the first six months of the current fiscal year. No common dividends have been paid since August 1, 1930. If it had been possible to maintain volume of business during the past year profits would have been sufficient to retire all bank loans and to continue payment of dividends. Shrinkage in sales volume is said to be quite definite.

Substantial increase in sales volume is not looked for until general business conditions improve and with further reduction in bank loans and another $50,000 of bonds to be retired on January 1, 1932, resumption of dividend payments is not expected for at least another eight or ten months. Improvement in general business conditions will be immediately reflected in the company's sales it is believed. The fiscal year of the company end on October 31. Last year earnings amounted to 42 cents per share on the common as against $1.46 in the previous year.

Dairy Corp. of Canada Sales Volume Higher

Sales volume of all operating branches of Dairy Corporation of Canada, Ltd., has shown an increase for the first seven months of the current year, according to J. A. Caulder, president. Although value of sales are lower, the company's ability to operate on a more economical basis is reflected in the increase in profits.

The Montreal operating division is said to have made satisfactory progress and the continued hot weather during the past two months has materially aided the sales of ice cream. In Toronto, activities have been maintained along the usual lines, but in the west, shifting conditions have had to be faced, and although operations of the Manitoba and Alberta units have been generally satisfactory, there is more direct reflection in Saskatchewan of the relatively poor conditions prevailing in that province.

Christie, Vipond to Trade in Higher Grade Bonds

It is announced that Christie, Vipond & Co., Ltd., with offices at 12 Jordan St., Toronto, has been formed to deal in Government, municipal and corporation bonds. The partners are W. L. Christie and H. K. Vipond. The business of Wm. L. Christie & Co., members of the Standard Stock and Mining Exchange will be continued under the direction of W. L. Christie, each concern to have its own separate entity and organization.

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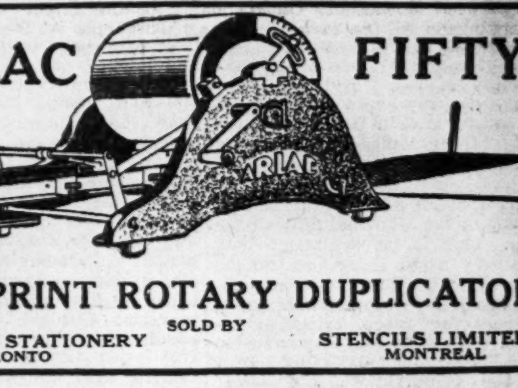

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RECENT ORDERS SPEED ACTIVITY OF PENMANS LTD.

General Operations at Lower Rate Than Last Year

From Our Own Correspondent

MONTREAL.—Though plants of Penmans Ltd., manufacturers of woollen and knitted goods, have been slack for some time, there has been a tendency in recent weeks to increase production due to a moderate improvement in orders. Plants at Brantford, St. Hyacinthe and London have reflected the slight impetus by a betterment in activity; on the whole, however, buying is still being done on a hand-to-mouth basis, and rate of capacity is reported to be lower than at this time last year.

No figures regarding earnings have been made available during the year. Tariff schedules may be expected to benefit the company to some extent but lower sales, due to curtailed purchasing power, have likely offset any direct reflection of the new customs duties.

Earnings Showed Drop

Net earnings in 1930 showed a drop of around 50 per cent at $332,977 last year, while sales were lower by 12 per cent. Working capital position, however, was well maintained and bank loans and funded debt were reduced. A surplus of $1,641,347 was carried forward into the current year.

No allowance was made for depreciation, but after provision for bond interest and bad debts net profits applicable to dividends last year were $189,262. This was sufficient to cover preferred dividend needs of $64,500 though payment of $258,072 in common dividends resulted in a deficit of $133,310 for the year.

Current outlook has found reflection in quotations on the common stock which at levels of around 35 give a return of 11 per cent. The stock earned $1.93 a share against dividend needs of $4 a share in 1930; indications are that the present year's profits will show little improvement.

CLAUDE NEON BUSINESS GOOD; EARNINGS UP

May Earn $1.50 Per Share on Common Stock in Current Year

Earnings of Claude Neon General Advertising, Ltd., is reported to be showing substantial increase over earnings in the first eight months of 1930 with the possibility that the company will earn around $1.50 per share on the no par value common stock in the year ending December 31, 1931, as compared with 86 cents in 1930. Increase is largely due to the material gain in Neon tubing displays being marketed.

During the past year there has been a radical change in illuminated signs used throughout Canada and particularly in the larger centres. The Neon type of sign has largely supplanted the former style. Further large contracts are understood to be a possibility in the near future. Poster advertising and painted display business has been somewhat smaller than in 1930, but this is expected to show an increase this fall. This business amounts to about 40 per cent of the company's total volume.

Only West Is Down

By districts, the company has shown an increased business in all sections of Canada with the exception of the prairie provinces. Ontario and Quebec have been especially strong and business has also been good in the Maritimes and in British Columbia, it is reported.

The company undertook its first commercial installation of low voltage Neon lighting this summer and it is understood that much is expected in this field which includes interior lighting. Lighting of interiors of home, factories and large buildings by the Neon tube method would involve a radical departure from lighting methods generally used at present. While the new type of interior lighting is still in the experimental stage to a large extent, officials of the company are optimistic as to the future possibilities.

Claude Neon General Advertising, Ltd., admittedly holds a predominant position in the field of outdoor advertising displays in Canada, covering the country as it does, through its subsidiaries and associated companies, from coast to coast. Formed late in 1929 it controls E. L. Ruddy Co., Asch, Ltd. and Claude Neon Light Co. of Canada. The latter company controls Western Claude Neon Lights, Ltd., Claude Neon-Macey Co., and Eastern Claude Neon Ltd. and has a substantial minority interest in Neon Products of Western Canada, Ltd.

INTER-CITY BAKING HOLDING POSITION

Regular Dividend Payment Maintained on Capital Stock

From Our Own Correspondent

MONTREAL.—Directors of Inter-City Baking Co. have declared and paid the regular 2 per cent semi-annual dividend on the common stock; an indication that the company is maintaining its position during the current year. Though there has been little improvement in the situation surrounding the baking industry, which has resulted in keen competition, cutting in best prices, it would appear that Inter-City Baking has been able to hold its own.

Common shares of the company, of which a controlling amount is held by Lake of the Woods Milling Co. are not listed on any exchange, but are traded in over the counter at current prices of around 40. The four per cent dividend constantly returns 10 per cent.

In the year ended January 31, 1931, the company reported net earnings of $316,254 against $287,574 in the preceding fiscal year. This was equal to $6.02 a share as compared with $4.62 a share.

Stock Market Leaders of Tomorrow

Noranda's Gold Offsets Much of Disadvantage of Company in Being Large Producer of Copper

By GRANT BROWN

ARTICLE NINE—NORANDA

This week, in examining Noranda as a claimant for market leadership, we are confronted at the outset with the problems both of gold mining and of copper mining, for Noranda combines the two to a remarkable extent. As to gold mining, little need be said. These are halcyon days for this particular industry. There is an unlimited demand for the product at more than twenty dollars an ounce, while expenses are kept down by the low level of prices in general. For the gold mine the main questions are simply how much ore is there and how much does it cost to get it out? And Noranda is particularly fortunate, at a time when the market for copper is limited, to be able to profit from the favorable conditions surrounding the production of gold. With copper it is a very different story.

Outlook for Copper

With copper still selling in the neighborhood of 7½ cents a pound, its record low, producers are anxiously scanning the horizon for signs of improvement. The copper industry, quite as much as steel, is of the "feast or famine" variety. In the spring of 1929 the price was sent up to a high of 24 cents. This additional incentive to increased output coupled with the falling-off in industrial production later in the year led both to a price decline to 18 cents and to the piling up of inventories. Largely through the efforts of the Copper Export Association the price was pegged for some months at 18 cents, whence, in the spring of 1930, it was reduced sharply to 14 cents. Further reductions followed as inventories continued to increase, until, after some intermediate fluctuations, the all-time-low of 7½ cents was reached by custom smelters, although producers continue to hold out for 8 cents.

Few Can Make Profit

What will be the next step? There is talk of further curtailment of production by agreement, even of a shutdown pending the revival of industrial demand. It is certain at least that at eight cents the great majority of producers are unable to mine profitably. One of the chief statistical services reports that less than a third of the world's copper is produced at a cost below eight cents a pound (operating costs alone, apart from depreciation, etc.). It is fairly obvious, then, that present prices cannot continue indefinitely. If there is no general agreement to curtail production, the high-cost producers will in time be driven to suspend operations, expensive as such a course may be. As to the future level of prices, there are so many opposing forces that prediction is hazardous. At the moment the lack of industrial demand is the chief factor in depressing prices. The electrical industry is by far the largest factor in the consumption of copper, and that industry has suffered, though less than most, from the depression. The automotive industry and building, two other important factors, have suffered much more. European conditions affect the demand considerably, as Germany, Great Britain and France (in that order) are the largest consumers next to the United States. Tending to prevent recovery in the price of copper, then, are all the factors that make for general depression.

In addition there are others which deserve special mention. One, of course, is the heavy supply of refined copper on hand, which will act as a brake on rising prices. A second is the possibility of using substitutes. Aluminum, in particular, has been coming to the front as a competitor, e.g., in electric transmission cables. A third is the advent of new supplies on the market. Here, the mines of Northern Rhodesia with their huge reserves of high-grade ore appear to be the chief barrier to a return of high prices.

More Hopeful Sign

On the other hand, it is claimed that, while visible inventories are large, invisible inventories (manufacturers' stock-on-hand, etc.), are small; and that any considerable increase in industrial activity would reduce the surplus of refined copper to normal more rapidly than the figures suggest. As to rivals, copper and its alloys have special advantages of their own which the Copper and Brass Research Association is not slow to proclaim. As to the Rhodesian mines, while these will undoubtedly become increasingly important in the copper market, there are certain mitigating circumstances: their arrival at full production will be gradual, so that demand will have a chance to develop; the labor problem may become more difficult as production increases; and their estimated costs can be matched by our lowest cost producers (of which Noranda is certainly one). Moreover, the tendency of low prices to promote demand, the tremendous potential consumption indicated by such projects as the electrification of the railways of Great Britain (recently recommended by the Weir committee as a project both feasible and desirable), the possibility of European demand rising to something like the American level, probable further expansion of the chief copper-consuming industries, the electrical industry in particular, all suggest that the swing of the pendulum may bring the price of copper back nearer to the normal levels and certainly to levels at which the low-cost producers can operate profitably.

Noranda in the Industry

The next problem is to fit Noranda into the picture. What is its relation to these two singularly contrasting branches of the mining industry? Does it share more largely in the prosperity of the golds or in the adversity of the coppers? What are its prospects for market leadership?

Perhaps one of the strongest reasons for predicting market leadership for Noranda is the energy and efficiency of the management which in nine years has transformed a remote prospect in the wilderness of Northern Quebec into a flourishing mine and mining town, the fountain head of a great metallurgical industry. As soon as the management became convinced that the ore reserves justified it, the property was equipped with a complete mining, concentrating and smelting plant of the most modern type with a capacity for smelting some 2,000 tons daily and for concentrating at least 1,200 tons more. In addition the enterprise has been rounded out by the building of a refinery (in association with two leaders in the metal industry, the British Metals Corporation and the Nichols Copper Company) and by the acquisition of a substantial interest in an important fabricator of copper, the Canada Wire and Cable Company; so that Noranda or its affiliates conducts every stage of the production and utilization of copper from the mining of the crude ore to the fabrication of the finished product.

Becomes Gold Producer

At the same time that Noranda has been transformed into a completely integrated unit in the copper industry, it has become one of the great gold mines of Canada. In 1930 its gold production amounted to nearly $2,500,000; but in the first six months of 1931 it had already surpassed its record for the whole of the previous year, and for the twelve months ending Dec. 31, 1931,, the total promises to be five million dollars. It is this dual rôle—part copper mine, part gold mine—which places Noranda in an enviable position under present conditions. Fortunately, the occurrence of the ore is such as to give great flexibility in mining operations, so that, while copper is at a discount, the rate of gold production has been doubled and, while many copper companies have been unable to operate profitably, Noranda, thanks to its gold, is able to earn almost, if not quite, as much as last year. This feature, naturally, adds greatly to the attractions of Noranda. When the coppers are depressed, it shares the prestige of the gold stocks. When copper once more has its day, Noranda will be in a position to extend its production of copper and reap the benefit to the full.

Noranda's Ore Bodies

The question of ore reserves is of prime importance in determining the attractiveness of Noranda. It is noteworthy that in spite of increased production these continue to grow. At the close of 1930 they were reported as amounting to 3,433,000 tons of ore averaging 7.2 per cent copper and $3.01 in gold, plus 4,448,000 tons of ore rated at 1.83 per cent copper and $3.52 in gold, plus 294,000 tons of fluxing ore rated at .8 per cent copper and $5.72 gold, the total a considerable increase over 1929 in spite of the greater production during the year. The present year will have still larger increases to record. In the absence of regular reports between annual meeting and annual meeting it is hard to estimate the progress made; but there is no doubt that since the close of 1930 indicated reserves of ore have been greatly increased by the results of diamond drilling at depth. The presence of high-grade ore both of copper and of gold down to the 2,700-foot level has been indicated, and there are geological reasons for expecting it to go considerably lower. Fortunately, too, this ore has shown high gold values; and it would appear that the present policy of speeding-up gold production while copper is unduly low could be continued for years without injury to the mine.

Is Low Cost Producer

An important feature of Noranda is its ability to produce at low cost. The Financial Post (March 26, 1931) estimated the 1930 cost of production at 7.85 cents per pound of copper including write-offs amounting to 2.38 cents per pound. This year the heavy increase in gold production has provided a very substantial offset to lower production of copper at lower prices. The very satisfactory result is to place Noranda—when the precious metal is applied to reducing copper costs—among the lowest cost producers of the world, a position which seems to offer promise of eventual market leadership.

An examination of the December, 1930, balance sheet reveals other factors which strengthen Noranda's claims to leadership. The liquid position is good with current assets at more than $6,000,000 and current liabilities less than $900,000, a current ratio of almost 7 to 1, and a net working capital of more than $5,000,000. There is nothing ahead of the 2,239,772 common shares of common stock except the contingent liability involved in the guarantee of $2,500,000 bonds of Canadian Copper Refiners. The reserves for depreciation are heavy—at a rate sufficiently high to write off the whole plant in a seven-year period. Investments in other companies offer promise of future benefit, especially the holdings of Canada Wire and Cable and the more than 80 per cent interest in Waite-Ackerman-Montgomery, a copper-zinc mine which, in 1929, showed a net operating profit of more than $500,000.

The market record of Noranda is not without interest. From $12, its low point in 1926, after many oscillations, it attained a high of $76.50 in 1928. With the deflation of the market and the severe drop in copper, its descent has been rapid in spite of discoveries of new ore and the payment of dividends in 1930. Since January, 1931, dividends have been discontinued partly on account of the unsatisfactory copper market and partly because of the demands made on liquid capital by the refining and manufacturing affiliates.

Position and Outlook

One of the chief statistical services refers to Noranda as "the only copper producer that is expected to report profits approximating those of last year," and follows with an estimate of net earnings for 1931 as likely to be in the neighborhood of $1.50 a share, compared with $1.72 in 1930.

Noranda, selling between $19 and $20, with probable 1931 earnings around $1.50, and with little prospect of dividends until the copper situation shows signs of improvement, is clearly discounting industrial recovery to some extent. But with its strong liquid position, its alert management, its rapidly increasing ore reserves, its ability to shift production from copper to gold at discretion, it appears to have interesting possibilities as a market leader of the future.

B. C. Has 25 Non-Ferrous Plants

B. C. ranks third in the Dominion with 25 plants and production at $27,321,727 for the non-ferrous metal group, according to statistics just released from Ottawa.

FED. DISTILLERY SHAREHOLDERS APPROVE SALE

New Company Named Campbell Distillery Canada

From Our Own Correspondent

MONTREAL. — Shareholders of Federal Distillery, Ltd., have approved the sale of their company to the S. Campbell Co., of Glasgow; Federal Distillery, on completion of the deal, will operate under the name of Campbell Distillery Co., Canada, Ltd.

The sale is based on an exchange of shares and shareholders of Federal Distillery will receive one new share in exchange for two of their present holdings. The company has outstanding 378,023 common shares of no par value. There are certain details to be completed before the new stock is issued.

One Bond Outstanding

In addition to the common stock there is outstanding $1,000 of 8 per cent general mortgage bonds. Formerly the company had a bond issue of $50,000, which was redeemed in August, 1930, at 105. Since notice was given, when the bonds were redeemed, that interest ceased after August 25, 1930, the outstanding bond does not constitute a charge against earnings.

The management of Federal Distillery has not made public its financial statement for the year ended March 31, 1931. It is understood, however, that profits were not encouraging though officials look for some improvement under the new régime.

In the year ended March 31, 1930, sales amounted to $51,763. Expenses, however, totalled $110,454, leaving a deficit of $58,691. After all deductions, a total deficit of $148,892 was brought forwrd.

Some changes were effected in the directorate at the annual meeting held August 20, 1931. J. F. Buckley is now president; Robert Cooks is vice-president, and J. H. Goulden is still secretary and treasurer. Directors are R. Cooke, J. F. Buckley, W. E. King, W. W. Williamson and J. H. Goulden.

Federal Distillery operates a small plant in Montreal and sells its products in the domestic and export market. At the present time it is understood that plant activity is being undertaken on a relatively low scale.

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We have helped many others and would likely help you solve your problems.

Crown Trust Company

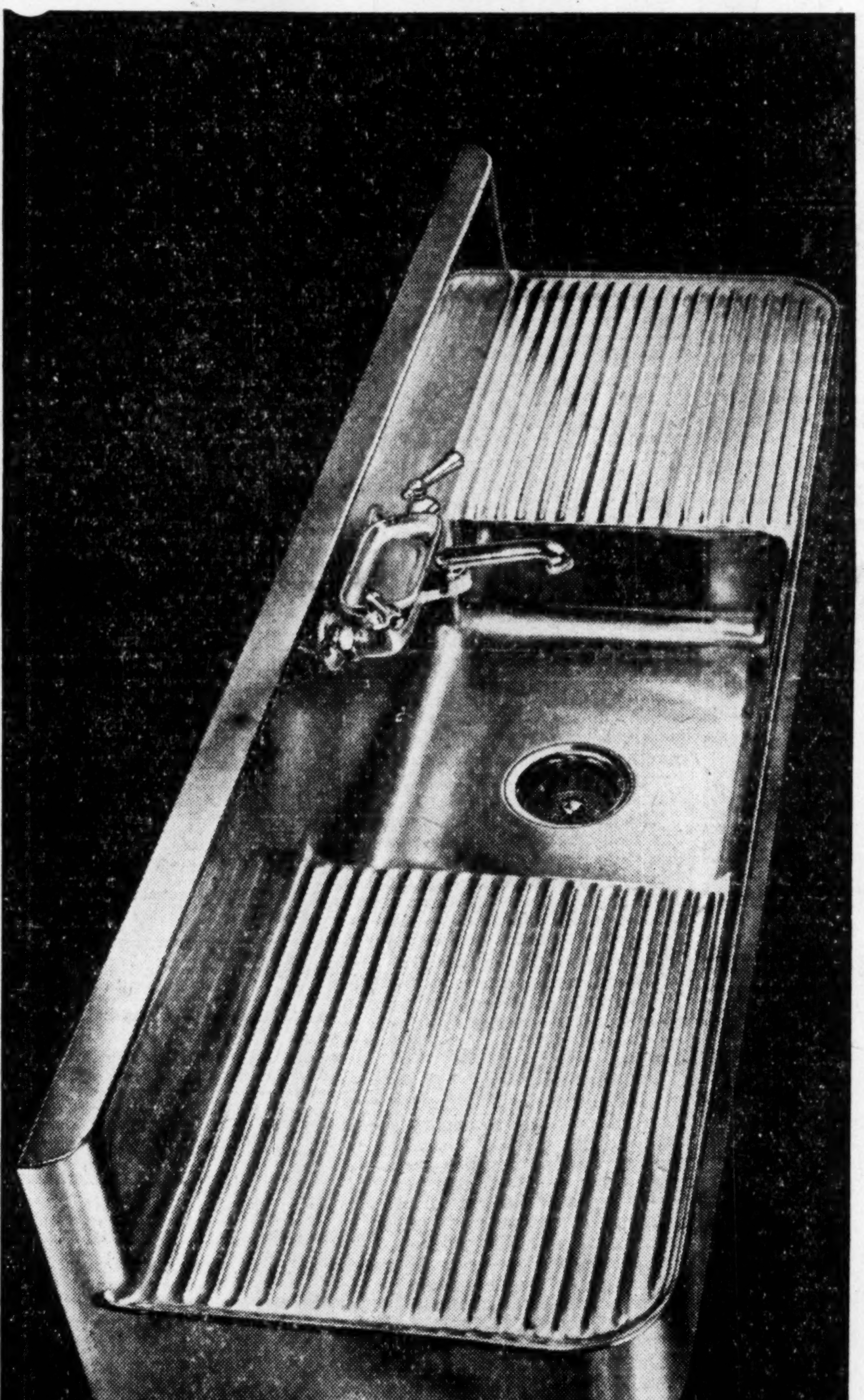
William I. Gear - - President
Arthur Lyman - Vice-President
F. G. Daniels - Vice-President
Irving P. Rexford Gen. Manager

St. James Street • Montreal

Locate Plant in Toronto

One of the largest manufacturers and tanners of upholstering leathers in the United States, the Lackawanna Leather Company of Rackettstown, New Jersey, is establishing a manufacturing plant in Toronto, according to a report of the Toronto Industrial Commission.

Here's the **NEW MONEL METAL SINK** *that thousands of women have waited for . . .*



Double drain board Monel Metal kitchen sink. Recommended for large kitchens. Made in nominal sizes of 72" x 21" and 60" x 21".

At right—Single drain board Monel Metal kitchen sinks. Available in both left- and right-hand drain board models. Made in nominal sizes of 50" x 21" and 41" x 21".

● Women, everywhere, have wanted a sink like this . . . wanted the beauty, durability and convenience that only silvery, lifetime Monel Metal sinks can provide. Now . . . . they can enjoy all these features in a standardized Monel Metal sink . . . . at a price within reach of the average purse.

The new Monel Metal sinks are chip-proof, rust-proof, corrosion-resisting, strong and sturdy. Their rigid one-piece construction provides 31% more working space without increasing floor space requirements. They are built to withstand years of hard use . . . there's nothing to wear off or wear out . . . . no seams, crevices or joints to catch dirt . . . . no place for moisture to settle.

And, note also, that the rich, mellow, silvery beauty of Monel Metal harmonizes with any color scheme you may desire now . . . . or in the future.

See the new one-piece Monel Metal sinks at your plumber's. Compare them with any other sinks you have ever seen. Then write for free booklet that tells more about them.

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Monel Metal is a registered trade mark applied to a technically controlled nickel-copper alloy of high nickel content. Monel Metal is mined, smelted, refined, rolled and marketed solely by International Nickel.

A HIGH NICKEL ALLOY
MONEL METAL
NICKEL ALLOYS LOOK BETTER LONGER
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Utilities and Transportation

N. B. POWER BOARD PLACES NEW UNIT IN PRODUCTION

Grand Lake Steam-Electric Plant Completed

From Our Own Correspondent

MONTREAL. — The new steam plant of the New Brunswick Hydro-Electric Commission, at Grand Lake, has been placed in operation and is now delivering current to the Maritime Electric Co. and Canadian Cottons, Ltd. The Maritime Electric is purchasing its power requirements in bulk for redistribution in Fredericton and vicinity, and the Canadian Cottons mill at Marysville is buying its power direct.

The new plant has a capacity of 5,000 k.w. and is claimed to be one of the most modern steam-electric units on the continent. The latest developments in the utilization of pulverized coal for the generation of electrical energy are embodied in the plant. Construction, begun over a year ago, has been completed at a cost of around $1,500,000, including erection of transmission lines to Fredericton and Moncton.

Near Coal Fields

The proximity of the steam plant to the Minto coal fields is an important feature of the Commission's new development. In addition to supplying power to Fredericton and Moncton and paving the way for industrial expansion in central New Brunswick, the plant will afford an outlet for about 30,000 tons of New Brunswick coal from the Minto coal fields each year. Provision has been made so that capacity can be doubled at comparatively low cost and it has been estimated that consumption of coal may approach the 100,000-ton mark if the plant is extended in the future.

The new plant is linked with Moncton by a 65-mile transmission line and power is there tied in with the Commission's present production from its Musquash river hydro-electric unit. The Commission has been purchasing additional power from the New Brunswick Power Co. and though it is expected that there will be no change in this situation the extra load available from the Grand Lake plant will widen the scope of service rendered by the Commission.

Commission Makes Progress

New Brunswick Electric Power Commission has been making progress in recent years and though it is not yet operating at a profit, deficits have shown a tendency to decrease each year. The aggregate deficit at the end of the last fiscal year, October 31, 1930, was $29,-714.

Directly and indirectly, the Commission served 8,310 meters last year. During the year power sales were 28,075,500 kw.h., of which 20,-103,300 were secured from the Musquash plant and 7,920,200 kw.h. purchased from the New Brunswick Power Co. Total investments of the Commission at the end of the last fiscal year were valued at $4,264,525.

Sets New Gold Record

A new gold production record was set up by the Ontario Mines in the month of July, according to a report of the Provincial Department of Mines. The bullion output totalled $3,609,467, a net increase of $56,169 over the June output.

Minn. St. Paul Plans to Issue 1-Year Notes

From Our Own Correspondent

MONTREAL. — Minneapolis, St. Paul and Sault Ste. Marie Railway, controlled by C. P. R. has been authorized by the Inter-State Commerce Commission to issue not exceeding $10,000,000 of one year five per cent secured notes, and to pledge as collateral security not exceeding $12,-500,000 of first refunding mortgage bonds, series "B" 5½ per cent.

The notes are to be sold at not less than 98¼ per cent of par and accrued interest and the proceeds are to be used in retiring outstanding 6½ per cent collateral trust bonds due September 1 and to reimburse the treasury for expenditures made for that purpose. The road had a funded debt at the end of 1930 of $104,572,800. Interest on certain of the companies bond issues is guaranteed by the C. P. R.

In the six months ended June 30. net loss of Minneapolis, St. Paul was $3,678,402 as compared with a loss of $2,908,501 in the same period last year.

CANADIAN PACIFIC REPORTS DECLINE IN JULY REVENUE

Operating Expenses Cut by $2,134,159 in Month

From Our Own Correspondent

MONTREAL.—Though Canadian Pacific Railway made savings of $2,134,159 in operating expenses in July as opposed to the same month last year it was not able to stem the decline in net revenue which was $1,330,888 lower at $1,919,169. Gross revenue showed a drop of $3,465,048 for the month against July last year.

The latest reduction in net brings the total reduction for the first seven months, ended July, to $2,-753,698. This compares with a decrease of $18,035,644 in gross; working expenses in the same period were lowered by $15,281,945.

Thus net revenue for the first seven months was $10,057,288 as compared with $12,810,987 last year; the next few months should show improvement as grain begins to move over the company's lines.

Following are comparative figures:

	1931	1930	Decr.
July	$	$	$
Gross	11,876,230	15,341,278	3,465,048
Expenses	9,957,060	12,091,219	2,134,159
Net	1,919,169	3,250,058	1,330,888
Seven Months	$	$	$
Gross	82,381,448	100,417,092	18,035,644
Exp.	72,324,159	87,606,105	15,281,945
Net	10,057,288	12,810,987	2,753,698

Can. Northern Power July Earnings Higher

From Our Own Correspondent

MONTREAL. — Canadian Northern Power Corp. reports an increase in growth and net earnings for July, 1931, as compared with the same month last year. Gross earnings at $270,050 were higher by $17,511 while net at $181,036 showed a gain of $15,185.

In the seven months ended July 31, gross earnings showed a gain of $88,-656, while operating expenses were higher by only $17,111. Net earnings, therefore, were $1,311,065 an increase of $71,544 over the corresponding period of 1931.

The company has been registering new peaks in power output recently reflecting activity among the large gold fields served.

GATINEAU POWER EARNINGS HIGHER IN SECOND PERIOD

Figures Include Gatineau Electric for First Time

From Our Own Correspondent

MONTREAL.—Earnings of Gatineau Power Co. for the quarter and twelve months period ended June 30, 1931, showed increases over the corresponding figures of a year ago. Gross revenue in the quarter was $2,202,711, an increase of about $266,000 while for the 12 months period gross revenue was higher by $1,120,000 at $8,154,002.

Direct comparisons, however, are hardly feasible since earnings in the quarter ended June 30 include earnings of Gatineau Electric Light Co., now a subsidiary. Prior to April 1, these figures were segregated. Since the same date, the statements include interest requirements on an additional $8,500,000 of five per cent first mortgage bonds of Gatineau Power.

Gatineau's Electric Scope

Gatineau Electric Light Co., acquired early this year by Gatineau Power, supplies electricity at retail and wholesale to a territory with an area of 5,000 square miles and a population of 250,000 and including practically all important communities in Quebec from Hull and the Gatineau River east along the Ottawa River and north of the Island of Montreal.

Despite the higher interest on first mortgage bonds in the quarter ended June 30, amounting to $879,-692 as against $784,269, balance added to surplus was $381,354 as compared with $318,120. Provision for depreciation was also higher.

Second Quarter Figures

Following is a consolidated statement covering earnings in the quarter ended June 30, 1931, and 1930.

	Quarter ended June 30 1931	1930
	$	$
Gross revenue (incl. other inc.)	2,202,711	1,986,530
Net before int. and deprec.	1,911,029	1,706,457
Int. on first mtge. bonds	879,692	784,269
Balance	1,031,337	922,188
Int. on deben.	283,823	288,135
Other int. & amort.	167,477	147,084
Depreciation	198,683	168,899
Balance to surp.	381,354	318,120

Gain in 12 Months

Gross revenue in the 12 months ended June 30, 1931, was higher and net earnings, before interest and depreciation, were $7,121,204 as compared with $6,145,059 in the twelve months ended June 30, 1930. Such earnings were equal to over twice interest requirements on the first mortgage bonds, and over three times interest requirements on the six per cent debentures, before appreciation.

After all charges, including depreciation, other interest and amortization, there remained a balance of $1,456,494, an increase of nearly $500,000.

Comparative Figures

Following are comparative figures for the 12 months ended June 30, in the past two years:

	12 Mos. ended June 30 1931	1930
	$	$
Gross revenue (incl. other inc.)	8,154,002	7,034,969
Net before int. and deprec.	7,121,204	6,145,059
Int. on first mtge. bonds	3,227,506	2,928,974
Balance	3,893,698	3,216,085
Int. on deben.	1,140,404	1,157,365
Other int. & amort.	599,583	581,034
Depreciation	697,267	518,762
Balance to surp.	1,456,494	958,924

DEMAND FOR GAS SHOWING GROWTH VANCOUVER AREA

B. C. Power Explains Functions of New Unit

From Our Own Correspondent

VANCOUVER.—The B. C. Electric Power and Gas Co. has just placed a contract with the Gas Chambers and Coke Ovens Limited of London, England, for the installation of a C. O. L. intermittent vertical chamber oven plant of a daily manufacturing capacity of 3,000,000 cubic feet, to be completed by November, 1932, and costing approximately $850,000.

Work will start within a month or two and continue throughout the winter. Continued increase in the demand for gas is the reason for the new plant, company officials state. In spite of the mild winter experienced in the western city, there was an actual increase in use of gas during the past year and in normal weather conditions the increase would have amounted to at least 5 per cent.

Greater Demand for Gas

It is expected that new industrial heating installations will add eight million cubic feet a year to the demand in Vancouver and North Vancouver will require six million feet more when mains are laid across the Second Narrows.

Construction of the new plant will be supervised by J. Keillor, gas engineer of the B. C. Electric Power and Gas Company. It will consist of 24 vertical chambers, each taking 4½ tons of coal, intermittently charged and discharged, waste heat boilers, coal bunkers, equipment for handling, quenching, screening and conveying coke, etc. A feature of the new plant will be its ability to produce metallurgical coke for which there is now a demand of only a few thousand tons a year. It will be the first plant in Canada to produce coke of this kind and will be capable of meeting any demand that may arise.

Use 30,000 Tons of Coal

Another distinct advantage possessed by the new equipment lies in the fact that the ovens will be heated by producer gas made in outside automatic producers, eliminating the old method of heating the retorts by individual hand-fired producers under each bench. The type of automatic producers to be used is specially adapted to the use of high ash coke made from B. C. coals. The new plant is expected to consume 30,000 tons of B. C. coal a year.

Contracts for auxiliary equipment such as condensers, exhausters, tar extractors, strubbers, purifiers, naphthalene washers, of the same capacity, will be placed shortly. The plant is to be erected on the Carrall Street site near the 3,000,000 cubic feet waterless gas-holder and purifying unit erected two years ago by the B. C. Electric Company, and will be the first unit of a 25,000,000 cubic feet a day installation announced at the time the new holder was built.

New Lights For Fair

Specially designed to answer the needs of the splendid new buildings erected this year on the grounds of the Canada Pacific Exhibition held at Hastings Park in Vancouver, B.C., several unusual electrical installations were completed this month by the light and power department of the B. C. Electric Railway Company.

The great exhibition Forum, being used this year for the automobile show, and built for ice skating and sports, is one of the best lighted arenas on this continent. There are three ice machines in the refrigeration plant driven by 75 horsepower induction motors. Two of these units are required to freeze the rink and once frozen, a single unit maintains the floor in perfect shape. The third motor is a standby unit.

A transformer vault has been installed in the new building to regulate primary and secondary power and special interest attaches to the switchboards which were designed for the B. C. Electric engineers by a Vancouver firm, embodying a system of interlocking switches, a new safety device.

The Pure Foods' or Women's building has also been completely wired to meet the demands of exhibitors and provision has been made for any machine or appliance requiring electrical energy irrespective of its size. An excellent lighting system has been installed, characterized by a uniform diffusion which gives perfect visibility in all parts of the building.

Both these fine new buildings and also the original Manufacturers' Building are now served by an underground power distribution system which entirely dispenses with poles and overhead lines, thereby enhancing the appearance of the grounds and ideally suiting all modern exhibition purposes.

JAMAICA SERVICE JULY PROFIT LOWER

Net for Twelve Months Still Exceeds Figure of 1930

From Our Own Correspondent

MONTREAL.—Though gross earnings of Jamaica Public Service Ltd. and subsidiary companies showed a slight decline in July the gross for the twelve months ended July 31 still shows an increase over the same period last year. Net and surplus after charges, however, were lower than last year owing to higher interest requirements.

In July, gross earnings were about $3,000 lower at $63,820 while net totalled $23,862 compared with $25,-453 in July last year. Surplus after charges was $14,458 in July against $15,317 in the same month in 1930.

For the twelve months ended July, gross was higher by about $29,000 at $840,314. Net was also above the figures for the same period in 1930 totalling $347,087 as compared with $329,209. Surplus after charges, however, was $233,369 in the 12 month period against $250,032 last year.

Earnings of Jamaica Public Service in the fiscal year ended December 31, 1930, after all charges were equal to $2.01 a share on the common stock. In the previous year profits were equal to $2.05 a share.

MEXICO TRAMS EARNINGS DOWN

Heavy Increases in Taxation Imposed By Mexican Govt.

Gross earnings of the Mexico Tramways Co., and subsidiaries, for July amounted to 787,420 pesos, as against 850,380 pesos in July, 1930. Operating expenses and depreciation accounted for 854,350 pesos, leaving a deficit from operations of 66,930 pesos. This compares with an operating loss of 76,580 pesos in July, 1930.

For the seven months ended July 31 this year, gross earnings were 5,403,970 pesos, showing a 7.99 per cent decrease under the corresponding period of last year. Operating expenses and provision for depreciation for the period amounted to 5,986,120 pesos, leaving a deficit from operations of 582,150 pesos in comparison with 416,970 pesos for the like period of 1930.

Gross earnings of the Mexican Light and Power Co., and subsidiaries for July this year, amounted to 1,929,970 pesos, an increase of 0.54 per cent over the same month last year, but after operating expenses and provision for depreciation net earnings at 692,340 pesos showed a decrease of 23.03 per cent.

Seven months' gross earnings, for the period ended July 31 last, were 14,016,225 pesos, an increase of 4.60 per cent over the corresponding period of last year. Operating expenses and reserve for depreciation accounted for 7,839,135, which left net earnings for the period of 6,177,090 pesos a decrease of 6.45 per cent in comparison with last year.

Taxes Are Higher

In connection with the operating expenses of both companies, it is pointed out that under recent legislation enacted in Mexico, heavy increases in taxes have been imposed, seriously affecting the earnings of the companies.

Notice has been given that the interest on coupon No. 37 of the Mexico Tramway Co. 5 per cent general consolidated first mortgage bonds, due 1963, will be payable on or after September 1, 1931. The coupon which is now payable is dated March 1, 1925.

DOMESTIC DEMAND FOR POWER GAINS

Residential Sales in U. S. Show Increase in First Half

From Our Own Correspondent

MONTREAL. — Domestic use of electricity in the United States for light and power is increasing at the rate of nearly 12,000,000 kw.h. a year, or more than the entire sales of the electric light and power industry of 20 years ago, according to a statement issued by the Statistical Research Department of the National Electric Light Association.

The figure is based on a summary of sales to ultimate consumers for the first six months of 1931. Figures show an increase in residential use of 7.2 per cent over the corresponding period of 1930 and 22.7 per cent over the first six months of 1929.

New residential customers, increased consumption per customer, and increased use of electrically operated household appliances are factors mentioned in the larger output. Another factor is the rapid progress made in extension of rural electrification.

Industrial Load Off

Large industrial and mining enterprises consumed 10 per cent less power in the six months ended June 30 than they did in the corresponding period of 1930 so that all sales for all purposes of electricity in the United States was 4.3 per cent below the figure for the same period of 1930, but only, 1.4 per cent less in 1929, when industrial activity was at an exceptionally high level.

Total revenue of the industry for the six months was 0.8 per cent below the figure for 1930, but still 4.3 per cent above the total for the corresponding period of 1929.

Vancouver Now Third City

Official census figures revealed by the Dominion Bureau of Statistics show Vancouver as the third city in Canada with a population of 245,307. New Westminster is credited with 17,524 and Victoria with 38,441.

Public Utility Earnings

Mexico Tramways, Light & Power Group of Companies

Mexico Tramways & subsidiaries:	1931	1930	Increase
July—	Pesos	Pesos	Pesos
Gross earn.	787,420	850,380	† 62,960
Oper. & depr. exp.	854,350	926,960	† 72,610
Net earn.	*66,930	*76,580	9,650
Aggre. gross from Jan. 1	5,403,970	5,873,150	†469,180
Aggre. net from Jan. 1	*582,150	*416,970	†165,180
Mexican Light & Pwr. & subsidiaries:	**		
Gross earn.	1,929,970	1,919,580	10,390
Oper. & depr. exp.	1,237,630	1,020,100	217,530
Net earn.	692,340	899,480	†207,140
Aggre. gross from Jan. 1	14,016,225	13,400,164	616,061
Aggre. net from Jan. 1	6,177,090	6,613,890	†436,800

*Deficit. †Decrease.

**These figures include the earnings of the Toluca Company.

Heavy increases in taxation have been imposed under recent legislation in Mexico, seriously affecting the earnings of the companies.

Canada Northern Power

	1931	1930	Increase
July—	$	$	$
Gross earn.	270,050	252,539	17,511
Oper. exp.	89,014	86,688	2,326
Net earn.	181,036	165,851	15,185
7 mos. end. July 31:			
Gross earn.	1,922,676	1,834,020	88,656
Oper. exp.	611,611	594,499	17,112
Net earn.	1,311,065	1,239,521	71,544

Jamaica Public Service

	1931	1930
July—	$	$
Gross earnings	63,820	66,507
Net earnings	23,862	25,453
Surp. after charges	14,458	15,317
12 Mos. end. July 31:		
Gross earnings	840,314	811,046
Net earnings	347,087	329,209
Surp. after charges	233,369	250,032

Canadian Pacific Railway

	1931	1930	Decrease
July:	$	$	$
Gross earn.	11,876,230	15,341,278	3,465,048
Expenses	9,957,060	12,091,219	2,134,159
Net earn.	1,919,169	3,250,058	1,330,888
From Jan. 1:			
Gross earn.	82,381,448	100,417,092	18,035,644
Net earn.	10,057,288	12,810,987	2,753,698

Canadian National Railways

	1931	1930	Decrease
July:	$	$	$
Gross rev.	14,807,474	19,150,150	4,342,676
Oper. exp.	14,471,855	16,866,934	2,395,079
Net rev.	335,618	2,283,214	1,947,596
7 Months:			
Gross rev.	103,083,100	129,061,241	25,978,141
Oper. exp.	101,418,446	115,384,116	13,965,670
Net rev.	1,664,653	13,677,123	12,012,470

BARCELONA TRACTION

July	1931	1930	Incr.
	Pesetas	Pesetas	Pesetas
Gross earn.	8,327,839	8,207,159	120,680
Oper. exp.	2,760,607	2,908,835	*148,228
Net earn.	5,567,232	5,298,324	268,908
Aggr. gross from Jan. 1	68,066,159	62,364,716	701,443
Aggr. net from Jan. 1	41,552,900	41,868,947	*316,047

* Decrease.

POWER CORP.'S REGINA SCHEME ON LARGE SCALE

Initial Outlay of $250,000 if Franchise is Granted

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada may spend over $250,000 in development work in Southern Saskatchewan if it is granted a franchise to distribute in Regina, natural gas piped from the Bowdoin field in Montana. Before the company can obtain its franchise, ratepayers of Regina will have to pass favorably on the proposal.

The redrafted clause of the franchise points out that the company will provide in its capital structure for a fund of not less than $250,000 and not more than $500,000 to be expended in carrying on geological, geophysical, engineering, prospecting and drilling operations for the purpose of testing for and developing natural gas deposits in Southern Saskatchewan during the period of 5 years. Such fund to be charged to and included in the capital investment of the company, but all similar work carried on for the purpose of maintaining the gas reserves of the company to be included in the operating expenses.

Lengths of pipeline required to bring the Bowdoin gas to Regina would be approximately 175 miles and it is estimated that the expenditure for the whole project, including the city distribution system would be close to $8,000,000.

Regina has no gas supply of any kind, either natural or artificial; proposals to supply the city with natural gas have been considered by the City Council from time to time in the past two years.

C. N. R. July Figures Show Sharp Decline

From Our Own Correspondent

MONTREAL. — Net operating revenue of Canadian National Railways in July was $335,618, a decrease of $1,947,596 as compared with the same month in 1930. Gross revenue was from July last year and operating $14,807,474 a decline of $4,342,676 from last year and operating expenses were reduced by $2,395,079 to $14,-471,855.

For the first seven months of the current year gross revenue were $103,-083,100, a decrease of $25,978,141 against the same period of 1930. Operating expenses for the 1931 period were $101,418,446 a decrease of $13,-965,670 and net revenue was $1,664,-653, a decline of $12,012,470 as compared with the first seven months of 1930.

Canal Traffic Returns Show Reduced Activity

Canal traffic at Sault Ste. Marie and the St. Lawrence was considerably lighter during July in comparison with that month last year. Only 7,600,000 tons passed through the Soo locks compared with 12,300,000 tons in July, 1930. Wheat shipments dropped from 25 to 15 million bushels, and iron ores from 8¾ to 5 million tons. Traffic on the St. Lawrence canals decreased from 930,000 tons to 717,000 tons, at which it is over 200,000 tons lower than June this year. Here the volume of wheat en route was but 30 per cent of the figure for July, 1930, while pulpwood, west-bound, was less than 50 per cent.

Traffic at Welland Canal was heavier by 20,595 tons, amounting to 871,513 tons, despite a decrease in wheat traffic of about 60 per cent, or 8,300,000 bushels. The increases were largely in traffic to Lake Ontario ports, bituminous coal and iron-ore shipments contributing thereto.

Associated Tel. and Tel. Lists Additional Shares

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange has approved the listing, on official notice of issuance, of 7,000 class "A" shares of Associated Telephone and Telegraph Co., making the total amount authorized to be listed, 122,000 shares. Associated Telephone has contracted to sell these shares at $58 a share and the proceeds of $406,-000 will be used for general corporate purposes.

An extra dividend of 50 cents a share, as well as the regular quarterly dividend of $1 a share has been declared on the class A stock. Three months ago a similar dividend was paid.

Mount Royal Declares Dividend on Preferred

From Our Own Correspondent

MONTREAL.—A dividend of 1 per cent has been declared on the 6 per cent preferred shares of Mount Royal Hotel Co. payable August 29 to shareholders of record August 26, 1931. This is the third disbursement of 1 per cent to be made during the current year.

Net earnings of the company have shown a tendency to increase despite a heavy decline in gross revenue, an achievement which has been accomplished through drastic cuts in operating expenses.

Asbestos Corp. Deposits Funds for Maple Leaf

From Our Own Correspondent

MONTREAL.—Asbestos Corp. has deposited the necessary funds with the Canadian Bank of Commerce in Montreal to take care of interest due June 1 last on the $154,000 of 7 per cent bonds of Maple Leaf Asbestos Corp. The latter company became a part of Asbestos Corp. at the time of the merger six years ago.

Ship Eggs to England

A shipment of 5,661 cases of eggs left New Westminster recently for Great Britain as well as an export shipment of butter of 5,516 boxes for the same market.

Our September Bond List

Write for a Copy

Investors to whom security of principal and regularity of interest are of primary importance will find their requirements met by securities offered in our September Bond List.

Copy will be gladly furnished upon request.

Wood, Gundy & Company Limited

Toronto, Vancouver, Montreal, New York, Winnipeg, London, Eng.

Woods Manufacturing Company, Limited

Jute and Cotton Bags, Hessians, Buckrams, Paddings and Twine, Tents, Flags, Tarpaulins, Clothing and Cotton Fabrics

FACTORIES AT MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND

HEAD OFFICE MONTREAL

MAPLE LEAF INDUSTRIAL ALCOHOL

HIGHEST QUALITY—BEST SERVICE

Ethyl Alcohol—Cologne Spirits, Denatured Alcohol (ALL-FORMULAE)

We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.

Canadian Industrial Alcohol Co., Limited

MONTREAL, CORBYVILLE, TORONTO, WINNIPEG, VANCOUVER

MORE TRUCK FOR YOUR MONEY!

EXHIBITION visitors are cordially invited to see the new 1½-Ton Reo Speed Wagon that has revolutionized truck values.

REO

COMMERCIAL TRANSPORTATION EXHIBIT

1029 BAY STREET

QUALITY ENGRAVING—*the Essential Safeguard in Monetary Documents*

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THE beauty of monetary documents printed by this Company—the infinite patience and skill with which they are designed and engraved is more than an example of artistry. If you inspect a bank note, a bond or even the lowly postage stamp engraved by this Company, you will see a wealth of intricate detail and design that breathes dignity and importance—and at the same time is the despair of anyone who might be tempted to illegally duplicate it.

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CANADIAN BANK NOTE COMPANY LIMITED

Head Office and Works—OTTAWA

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POWER ... *a national and individual necessity*

CANADA'S outstanding progress in the past has been made possible through effective utilization of her water powers.

In the modern trend of industry and home appliance the nation and the individual are increasingly dependent upon electrical energy.

SUCCESSFUL CORPORATION FINANCING

Following are some of the Companies whose financing we originated and whose securities we recommend:

Southern Canada Power Company Limited
Canada Northern Power Corporation Limited
Northern Ontario Power Company Limited
Northern Quebec Power Company Limited
Winnipeg Electric Company
Manitoba Power Co. Ltd.
Northwestern Power Co. Limited
East Kootenay Power Co. Limited
Northern B. C. Power Co. Limited
B. C. Power Corporation Limited

NESBITT, THOMSON and Company Limited

Royal Bank Building, TORONTO

Hamilton, Montreal, Quebec, Ottawa, London, Ont., Winnipeg, Saskatoon, Calgary, Victoria, Vancouver

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News of Investment Markets

McCOLL PLANTS HOLD ACTIVITIES CAPACITY LEVEL

Sales to Date Show Gain Over Last Year

From Our Own Correspondent

MONTREAL.—Operations of McColl-Frontenac Oil Co. are being conducted on a satisfactory basis and the company's refineries both in Montreal and Toronto are running at capacity.

Though the company does not publish any figures, it is understood that sales to date are ahead of last year and that earnings compare favorably. Balance sheet position is reported to show an improvement over that of a year ago.

Large Write-Offs Made

It will be remembered that earnings in the fiscal year ended January 31, 1931, showed expansion over the previous year but net profits, after all deductions, were lower at $1,191,984 as compared with $1,431,970. The decline was largely due to increased depreciation and higher interest requirements, while the reserve for bad debts was almost double at $154,928.

Preferred dividends were earned more than twice over, while the showing on common stock was $1.43 a share against annual dividend requirements of 60 cents a share.

Carried Out Financing

During 1930, an additional $2,265,000 of first mortgage and collateral trust bonds were sold, bringing the total outstanding to $9,765,000. Proceeds were used for the creation of Maritime bulk terminals at Halifax, Saint John, and Kingston, Ont., and for additions to the refineries. Completion of the service station and marketing division expansion programme also claimed some of the funds.

The fact that McColl-Frontenac is not in the producing end of the oil business, but confines its operations to refining and distribution, has been a constructive factor in activities this year.

Coast Fishing Important

Fish canning and curing plants in operation in British Columbia last year represented an investment of over $21,636,000. Sixty salmon canneries accounted for about $15,360,000 of the total.

High Grade Bond Sales Retain Record Volume

Dominion, provincial and municipal bond offerings in Canada during the first eight months of the current year total $287,036,890, which constitutes a peak for the corresponding period in each of the past ten years, according to figures compiled by Wood, Gundy & Co. This peak has been achieved despite a virtual stoppage of all provincial and municipal financing during the conversion loan campaign in May, when $639,816,500 of Dominion war loan bonds were converted.

The nearest approach to the 1931 volume of financing was in 1930 when $256,962,962 of high-grade bonds was offered during the first eight months of the year. The volume of financing both in 1930 and in 1931 has exceeded that of any previous years in Canadian financial history, if some of the wartime financing is omitted. The record for the first eight months of each of the past ten years is as follows:

1921	$166,384,383
1922	208,071,550
1923	120,884,845
1924	208,454,958
1925	201,754,549
1926	204,472,504
1927	156,504,635
1928	62,989,238
1929	162,515,395
1930	256,962,962
1931	287,036,890

The drastic reduction in the volume of corporation bond and preferred stock offerings made in recent years is in contrast to the increase in the strictly high-grade bond financing. The following figures for the first eight months of the past five years show the change in investing habits of Canadian investors in marked degree:

	1927 $	1928 $	1929 $	1930 $	1931 $
Dom., Prov. govt. & mun.	156,504,635	62,989,238	162,515,395	256,962,962	287,036,890
Conversion loan					639,816,500
Corporation bonds	130,593,800	213,327,000	201,135,000	191,793,000	54,342,500
Preferred stocks	39,033,300	111,605,700	75,538,000	6,430,000	3,418,450
	326,131,735	387,921,938	439,188,395	455,185,962	984,614,340

New York Stock Exchange Limits Fixed Trust Trades

The New York Stock Exchange recently announced a list of 41 fixed investment trusts with which member firms may be associated without objection on its part. This action has been eagerly awaited in investment banking circles, as criticism of certain fixed trust practices on the part of President Whitney of the exchange is said to have materially cut their volume of sales during recent months. All of the larger trusts are included in the list as made public.

The list includes most of those that have been widely offered in Canada, but it does not, of course, include fixed trusts of Canadian origin.

The New York Stock Exchange clearly indicates that in approving a specific list of trusts it does not give them its formal approval as investments. It merely indicates that members may continue active in the organization, management and distribution of fixed trust certificates of these organizations.

Sales Effort Seen

With the actual publication of the Stock Exchange list of approved trusts a renewed vigorous sales campaign is promised by leading investment trust sponsors. Both security dealers and the general public, it is now said, will find the situation clarified, and suspicion of the fixed trust movement largely dissipated by the new action of the exchange, which followed numerous protests against the previous publication of criticisms of certain practices of the fixed trusts by President Whitney.

The bulletin is not a final one as the committee on stock list yet has many applications on hand which it has not yet examined and which were received too late to be included in the original bulletin.

The following announcement was made by Ashbel Green, secretary: "The committee on stock list proposes from time to time to send the members further bulletins announcing the names of any additional investment trusts whose applications have been examined and to which no objection has been made. The committee has on hand applications not yet examined, which were received too late to be included in the initial bulletin.

"On and after September 28, 1931, the association of members with investment trusts of the fixed or restricted management type will be held to be objectionable unless the names of such trusts have appeared in this or subsequent bulletins as having been found unobjectionable for the above purposes."

A B C Trust shares, Series D (1950); A B C Trust Shares, Series E (1933).
All-America Investors Corporation, Series A (1960).
American Composite Trust Shares, cumulative series (no date of termination).
Business Recovery Trust Shares (1936).
Collateral Trustee Shares (1948).
Corporate Trust Shares (1953).
Cumulative Trust Shares (1950).
Deposited Bank Shares, New York, Series A (1955); Deposited Insurance Shares, Series A (1955).
Diversified Trustee Shares, Series C (no date of termination); Diversified Trustee Shares, Series D (1940).
Equity Trust Shares in America (1950).
First Bank Trust Shares, Series B (1941).
First Custodian Shares, (1950).
Fundamental Trust Shares, Series A (1950); Fundamental Trust Shares, Series B (1950).
Independence Trust Shares, (1950).
Leaders of Industry Shares, Series C (1955).
Low-Priced Shares (1936).
National Industries Shares, Series A (1955); National Industries Shares, Series B (1946).
National Trust Shares (1950).
Nation-Wide Securities Co., Series B (1950).
New York Bank Trust Shares, (1955).
North American Trust Shares, (1953).
Public Service Trust Shares, (1950).
Representative Trust Shares, (1941).
Selected Cumulative Shares, (1951); Selected Managements Trustee Shares, (1940).
Super-Corporations of America Trust Shares, Series A (1950); Super-Corporations of America Trust Shares, Series B (1950); Super-Corporations of America Trust Shares, Series C (1948); Super-Corporations of America Trust Shares, Series D (1948).
Trusteed American Bank Shares, Series A (1980).
Trusteed New York City Bank Stocks, (1955).
Trust Fund Shares, (1950).
Trust Shares of America, (1940).
Twentieth Century Fixed Trust Shares, (1950).
Two-Year Trust Shares, (1933).
United States Electric Light & Power Shares, Inc., Series B (1950).

Bond Tenders

7 o'clock p.m., Sept. 7, Municipality of Ste. Jeanne d'Arc—$12,000, 5 per cent, road bonds redeemable serially from March 1, 1932 to March 1, 1946. Capital and interest payable at Banque Can. Nationale at Quebec, Montreal and Dolbeau. Leo Routhier, sec.-treas.

8 o'clock, p.m., Sept. 8, Town of East Angus—$105,000, 5 per cent bonds dated Jan. 15, 1931, redeemable serially from Nov. 1, 1932 to Nov. 1, 1941, payable at Banque Can. Nationale at East Angus, Quebec or Montreal. Anselme Tourigny, sec.-treas.

6 o'clock p.m., Sept. 8, Mun. of Parish of Ste. Foy, P.Q.—$55,000, 5 per cent bonds issued by series during 20-years. J. Morin, sec.-treas., 1350 Ste. Foy Road, Ste. Foy.

4 o'clock p.m., Sept. 9, Mun. of Grand Mere City, P.Q.—$100,000, 5 per cent bonds, dated May 1, 1930, redeemable May 1, 1945, payable at Banque Can. Nationale at Grand Mere, Montreal or Quebec, or at Bank of Montreal, Toronto. J. E. Deziel, sec.-treas.

8 o'clock p.m., Sept. 16, Town of Berthier, P.Q.—$150,000, 5 per cent bonds dated Sept. 1, 1931, redeemable serially from Sept. 1, 1932 to Sept. 1, 1971, payable at Banque Can. Nationale, at Montreal or Berthierville. F. O. T. Lamarche, sec.-treas.

8 o'clock p.m., Sept. 15, Town of Drummondville, Que.—$26,500, 5 per cent bonds dated May 1, 1931, redeemable serially from May 1, 1932 to May 1, 1941; $47,000, 5 per cent bonds dated July 1, 1931, redeemable serially from July 1, 1932 to July 1, 1961; $13,000, 5 per cent bonds dated July 1, 1931, redeemable serially from July 1, 1932 to July 1, 1951. Capital and interest payable at Bank of Montreal at Drummondville and Montreal. Joseph Marier, sec.-treas.

Sept. 14, Renfrew Separate School Board—$100,000, 5 per cent 30-year debentures. M. T. Duggan, sec.-treas.

Bond Sales

SCHOOL COMMISSION OF THREE RIVERS, QUE.

Banque Canadienne Nationale has been awarded $85,000 5 per cent 20-year serial debentures of the school commission of Three Rivers, Que., at 98.57; cost basis 5.17 per cent. Bids were as follows:

1 Banque Canadienne Nationale	98.57
2 L. G. Beaubien & Co.	98.382
3 Bank of Montreal	98.32
4 A. E. Ames & Co.	98.197
5 A. S. McNichols	97.55

POINTE CLAIRE AND BEACONSFIELD SCHOOLS

Mead & Co. has been awarded $30,000 5 per cent 30-year serial debentures of Pointe Claire and Beaconsfield Schools at 98.54; cost basis 5.13 per cent. Bids are reported as follows:

1 Mead & Co.	98.54
2 C. H. Burgess & Co.	98.03
3 Dominion Securities Corp.	97.621

JOLIETTE, QUE.

Ernest Savard & Co. has been awarded $50,000 5 per cent 30-year serial debentures of the city of Joliette, Que., at 100.05; a cost basis of approximately 5 per cent. Bids for the issue were as follows:

1 E. Savard Ltd.	100.05
2 Dominion Securities Corp.	99.88
3 Dyment, Anderson & Co.	99.87
4 C. H. Burgess & Co.	99.81
5 Credit Anglo Francais	99.60
6 L. G. Beaubien & Co.	99.53
7 Provincial Bank	99.50
8 Lucien Cète Inc.	99.36
9 Mead & Co.	99.14
10 Banque Canadienne Nationale	99.07
11 Geoffrion & Co.	98.74
12 Hamel, Fugere & Co.	98.54
13 A. S. McNicholls & Co.	98.16

COUNTY OF HALTON, ONT.

C. H. Burgess & Co. has been awarded $65,688 5 per cent installment debentures of the County of Halton, Ont. at 103.081; a cost basis to the county of 4.62 per cent. Of the total issue $58,000 matures in 20 installments and $7,688 in 10 installments. High bid of 103.094 was made by J. L. Goad & Co. but the tender arrived too late and was not considered. Bids considered by the county were as follows:

1 C. H. Burgess & Co.	103.081
2 Dominion Securities Corp.	103.02
3 Gairdner & Co.	102.97
4 J. L. Graham & Co.	102.927
5 Stewart Scully & Co.	†102.889 *101.473
6 Bank of Nova Scotia, Milton	102.85
7 Milner, Ross Securities Corp.	102.813
8 R. A. Daly & Co.	102.519
9 Dyment, Anderson & Co.	102.412
10 A. E. Ames & Co.	102.31
11 Fry, Mills, Spence & Co.	102.07
12 Joseph L. Sanderson	*102.00
13 McLeod, Young, Weir & Co.	101.77
14 Wood, Gundy & Co.	101.63
15 Harris, McKeen & Co.	101.30

†10 installment issue only.
*20 installment issue only.

Parish of St. Wilbrod Bonds Offered at Par

From Our Own Correspondent

MONTREAL.—An issue of $40,000, Trustees for the Parish of St. Wilbrod, 5 per cent serial bonds is being offered by Lucien Côté, Inc. at par. The bonds mature serially from 1932 to 1951. The Parish of St. Wilbrod was founded in 1904 and is located at Hebertville Station, Lake St. John County, Que. Its population is over 1,300.

The issue is secured by the transfer in favor of the trustee of an amount of $109,458, payable at the rate of $2,736 annually for 40 years, being the assessment at the rate of 50 cents per $100 on the municipal roll of the Parish, valued at $547,290, according to the terms of the trust deed.

The bonds will be a direct obligation of the Roman Catholic property holders of the Parish.

Rouyn to Consolidate Outstanding Funded Debt

Special legislation will be introduced by the Quebec government at the first session of the new legislature in order to legalize the action taken by the municipality of Rouyn to enable it to overcome financial difficulties.

It is said that the liability of the town to a number of bondholders in the Quebec district is approximately $600,000, and that the bondholders have agreed to accept a plan whereby a town commissioner will be appointed to make an investigation, and then meet a committee of the bondholders, headed by F. Letarte, of Quebec City. It is proposed to consolidate the floating debt of the town by issuing new debentures payable in five years on which no principal will be paid during that period and which will replace the debentures now outstanding.

Markets Most of Clip

Southern Alberta's 1931 wool clip has practically all been marketed, according to N. T. Macleod, secretary of the Southern Alberta Sheep Breeders, the season's contribution to the Canadian Co-operative from the district running to the substantial figure of 1,750,000 pounds.

Barcelona Traction July Earnings Gain

Barcelona Traction, Light and Power Co., gross and net earnings for July, 1931, show an increase over the same month last year; operating expenses for the month show a decrease. Gross earnings from operations were 8,327,839 pesetas, an increase of 120,680 pesetas over July, 1930. Operating expenses were lower at 2,760,607 pesetas as compared with 2,908,835 pesetas last year, while net earnings at 5,567,232 pesetas showed an increase of 5.08 per cent.

Aggregate gross earnings from operations, for the seven months ended July 31 last, were 63,066,159 pesetas as against 62,364,716 pesetas for the same period of 1930, an increase of 1.12 per cent. Total net earnings for the seven months of this year, however, were somewhat lower, the figures being 41,552,900 pesetas as compared with 41,868,947 pesetas, a decrease of 0.75 per cent.

Sugar Beets Promising

Sugar beets in Southern Alberta continue to make a fine growth. Growers are using the irrigation waters plentifully and yields give promise of equalling, if not exceeding, the nine-ton crop last year.

Bond Redemptions

MONTREAL — There have been drawn for redemption $46,800, 6 per cent first mortgage sinking fund gold bonds of Dominion Glass Co., due June 2, 1933. Bonds will be redeemed at the Bank of Montreal, Montreal, New York and London at 110 per cent of par and accrued interest, up to Dec. 2, 1931.

Bond Issues—	Rate	Due	Redeem.	Price
Dom. Glass Co.	*6%	1933	Dec. 2	110
B.C. Telephone	4*%	1962	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
Argentine Republic	4½%	1934	Oct. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100
Sao Paulo Coffee Realiz. Loan	*7%	1940	Oct. 1	100
Danish Cons. Ext.	*5½%	1955	Nov. 1	100

*Called in part.
†Or before.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Joliette, Que.	Aug. 26	Ernest Savard	5%	30-yr. ser.	$50,000	100.05	5%
Three Rivers Catholic Sch. Comm.	Aug. 21	Bk. Can. Nationale	5%	20-yr. ser.	85,000	98.57	5.17%
Pointe Claire & Beaconsfield	Aug. 21	Mead & Co.	5%	30-yr. ser.	30,000	98.54	5.18%
Halton County	Aug. 27	C. H. Burgess & Co.	5%	20-ins.	58,000	103.081	4.62%
			5%	10-ins.	7,688		

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Canadian Equity Shares ...... Aug. ...... Osler, Hammond & Nanton, Lightcap, Gower, Ltd., etc., accumulative type fixed trust.

CANADIAN TRUST OF FIXED TYPE BEING OFFERED

Canadian Equity Shares Represent 1-25,000 Interest in Unit

A new fixed trust of the capital accumulative type sponsored by Osler, Hammond & Nanton and Lightcap, Gower, Ltd., is being offered to Canadian investors who are primarily interested in Canadian equities. The portfolio of the new trust contains 30 common stocks, of which 20 are Canadian and 10 are of United States corporations with large interests in Canada. The stocks are held in comparatively large blocks ranging from 50 to 600 shares and the trust shares represent 1-25,000 of a unit.

The new trust is semi-fixed in character since elimination from the portfolio of any stock may be undertaken for sound investment reasons, but the depositor corporation, Canadian Equity Distributors, Ltd., may not recommend the elimination of any stock without the opinion of one or more investment counsel satisfactory to the trustee. No substitution may be made in the portfolio except for the usual reasons.

Retain All Split-Ups

The trust shares are offered in denominations of 10 shares and upward with coupons payable semi-annually, June 30 and December 31, at any office of the trustee, Royal Trust Co., in Canada. Semi-annual distributions will consist of regular and extra cash dividends received from underlying stocks together with any cash adjustments resulting from sale of rights or fractional shares plus interest, if any, paid on funds in the hands of the trustee pending distribution. Stock dividends and split-ups, except fractional shares, will be retained in the portfolio. Due to the large number of shares of each stock included in each unit there would be a minimum of fractional shares arising from split-ups or rights. The trust terminates on June 30, 1941.

Offering price is based on the current quotations on the underlying stocks, all of which are listed in Montreal, Toronto or New York. Brokerage is charged on the basis of full board lots. Eight per cent of the selling price of the trust shares, before inclusion of any accumulations, represents the loading charge for trustee's fees, cost of issue and deposit, cost of distribution and profit. Trustee's fees are met for the duration of the trust from an amount deposited with the trustee at the outset. The trustee has no lien upon the deposited property for its fees or expenses, except as outlined in the trust agreement. The trustee may assess trust shareholders charges for conversion or final liquidation.

Re-investment privileges are to be given to shareholders semi-annually whereby the entire coupon return may be invested in additional trust shares at prices 5 per cent below the asked price. Conversion of 500 trust shares into the underlying stocks is permissible but the trustee may charge up to 2½ cents per trust share for this service. Each unit of underlying stocks is made up as follows:

Banks

50 Bank of Montreal.
50 Royal Bank.
50 Canadian Bank of Commerce.

Public Utilities.

100 Bell Telephone Co. of Canada.
100 B.C. Power Corp., Class A.
300 Montreal Light, Heat & Power.
100 Shawinigan Water & Power.

Industrial

100 British American Oil Co.
200 Canadian Car & Foundry Co.
300 Canadian Pacific Railway Co.
100 Consol. Mining & Smelting Co.
200 Dominion Bridge Co.
500 Dominion Stores Ltd.
100 Dominion Textile.
300 Ford Motor Co. of Canada, class A.
600 Imperial Oil Co.
600 Imperial Tobacco Co.
300 International Nickel Co.
100 Page-Hersey Tubes Ltd.
100 Steel Co. of Canada Ltd.

American Corporations with Canadian Affiliations

100 Allied Chemical & Dye Corp.
100 American Can Co.
100 Borden Co.
100 E. I. Du Pont de Nemours & Co.
100 Eastman Kodak Co.
200 General Electric Co.
100 Johns-Manville Co.
100 National Biscuit Co.
100 Union Carbide & Carbon Corp.
100 F. W. Woolworth Co.

Toronto Board of Trade Voices Plea of Economy

A resolution asking that the Canadian Chamber of Commerce reaffirm its resolution, adopted at Winnipeg in 1925, regarding "Cost of Government," will be submitted by the Toronto Board of Trade at the Annual Meeting of the Chamber to be held in Regina this September. It is hoped that the Canadian Chamber of Commerce will impress upon all governing bodies, public and private enterprises, and the citizens of Canada generally, the imperative need for the utmost economy in every direction and particularly in non-productive expenditures.

Municipal Bond News

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TORONTO, SEPTEMBER 5, 1931

RELIEF EXPENDITURES LEAD TO WASTE

ONE of the unfortunate features of the colossal programme of public works expenditure that has been undertaken in Canada for the relief of unemployment is the fact that many millions of dollars are to be spent on public works of doubtful value. The lists of undertakings that are now being drawn up by the various municipalities include many enterprises that would not have been gone ahead with by these municipalities in normal, prosperous times. But because the Federal Government is paying a portion of the cost the municipalities feel that this is a good time to get these jobs done and so they are undertaking works that are decidedly in the luxury class merely to create jobs.

The final result of such expenditures will be to create more unemployment in the country, through the restriction of public credit and the increase of the ultimate tax rate, than can possibly be relieved at the moment. Today money is available only to borrowers with the very highest credit, and this applies equally to public bodies and private individuals and corporations. Public bodies require to be mindful of the fact that their credit is something which they must protect. Expenditures should be confined to useful purposes, even when those expenditures are undertaken to provide jobs. If money is wasted in connection with these relief expenditures we shall pile up burdens for the future that will fall directly upon the mass of the people including those who think they are obtaining temporary benefit.

We are now putting our shoulders to the wheel to see that no one suffers distress in Canada as a result of economic conditions but in doing so we should see that every cent appropriated is spent after careful economic analysis of its real worth. No one begrudges a policy of public works and unemployment relief but those who have hopes for Canada's future trust that the policy will not lead us into extravagant, wasteful habits or uneconomic distribution of the relief funds.

CASTING OUR BREAD ON CHINESE WATERS

A FEW weeks ago despatches from China reported estimates of the current year's wheat crop there as being in excess of six hundred million bushels. To many persons accustomed to discussing the wheat situation (and who in Canada has not?) it would probably be a matter of surprise to learn that China grows so much wheat. Yet, according to the best information available, that represents about an average expectation of annual wheat yield. Statistical machinery is lacking to such an extent that any close figures are out of the question, but exactness is not a matter of importance, since most of the wheat in question does not enter the channels of even domestic trade, but is consumed where it is grown. Evidently, however, the Chinese eat a lot of wheat, more than Canada has ever succeeded in growing in a single year. As in Canada, it is ground into flour but little of it is ever made into bread, the noodle being a favorite form of cooking.

Now comes the news of flood disasters in China, the greatest, according to some estimates, in the history of calamity, so far as the number of persons affected is concerned. How much of the promised wheat crop has been destroyed would be a matter for conjecture even for one intimately acquainted with the Chinese scene, but the danger of starvation for a great many persons appears to be imminent. Some years ago such news would have been the signal for creation of relief funds. But, so used has the world become to troubles on a large scale, that news such as this makes remarkably little impression upon the average person. Moreover attempts to afford relief from outside to Chinese populations have in recent years been largely discontinued.

There are definite reasons why relief efforts have been curtailed. It has been found that where money or goods have been sent to China they have been seized by the war lords and have not reached the people who were in need of them. They were used to feed men under arms and merely encouraged military operations.

Even if they did not go to the war lords, there was so much graft among officials that many of them got hold of large quantities of them and sold them and kept the money.

The Chinese are a philosophic, stoical race. Obligations of a charitable nature are confined to members of their own family. It is difficult for them to understand people making a gift to others to whom they have no obligation.

Some time ago the American Red Cross presented a report recommending that no further money be collected in the United States for Chinese relief.

If these difficulties could be overcome there would seem to be a chance for great wheat-growing nations like Canada, the United States and Australia to do something for the Chinese not only on humanitarian grounds but also from entirely selfish motives. So far as the first two are concerned there is a great deal of wheat which is essentially the property of the respective governments, wheat that costs the owners money to store. To give some of it away would cost nothing at all, because of the effect of such action on the value of the remainder. The result might well be an increased goodwill on the part of the Chinese toward the people of this continent and might lead to such a change in eating habits as would permanently increase the consumption of wheat. The United States has possibly greater incentive to act just now, since she has a greater surplus of wheat and the quantity under control of her government is far more than the quantity so controlled in Canada. But if it is a sound thing to do there is no need for Canada to wait upon the example of the United States, particularly as there are legal difficulties which would make it difficult for the United States to act promptly. It may well pay Canada to move swiftly, to put several hundred thousand or even a million barrels of flour at the disposal of the Chinese for relief purposes, free or on such credit terms as may be desired, the quantity depending upon the facilities for receiving and distributing it.

THE GLOBE IS RIGHT

THE Toronto Globe continues to carry on a campaign for a deeper probe of Beauharnois. In this it voices sentiments that The Financial Post also has consistently expressed since the enquiry ended so abruptly. Some people feel that enough dirty linen was washed in public in the Beauharnois affair to warrant suppressing any further unsavory details. This undoubtedly is the viewpoint of politicians of all parties, or at least so we must judge from their tacit agreement to leave the enquiry in the air. Then too, there is to be considered the position of those who must undertake to raise the capital for the carrying on of the work and it may be their opinion that the legitimate needs of the project cannot well be financed while its affairs are subject to an investigation which necessarily, to be complete, must travel down many side lanes. But this certainly is not the viewpoint of the great mass of workmen, professional men and citizens generally of Canada. The Beauharnois investigation, so far as it went, revealed a terrible laxity in the standards of conduct of many of our most prominent public men and it indicated that the present manner of raising campaign funds in Canada is dangerous to the morale of public life. That much being established, it is essential that the enquiry should go further to uncover the names of other men in public life who have been guilty of demanding or accepting bribes or graft in one form or another. Such men should be marked for all time in order that investors may leave alone projects with which they are connected and that electors may know enough not to vote for them or their agents.

The Globe is chiefly interested in the question of campaign funds, where they come from and how they are spent. Even more important is the question of direct bribes or graft. The public wants to know who among our public men and financiers are selling themselves for improper profits.

PRIVATELY OWNED POWER GAINS

THE trend to private ownership of electric power generation and distribution continues apace in Canada. The 1929 report of central electric stations, just issued, shows that in that year Canada had 420 privately owned plants and 165 publicly owned plants, the latter showing a considerable decline in number from the 202 publicly owned plants that existed in 1926, the peak year of the municipal ownership movement in Canada.

The report also provides ample evidence of the reason for this trend away from the costly experiment of public ownership of power. It indicates that the revenues of the private plants averaged slightly over one-half cent per kw.h. for the energy generated, while the public plants averaged slightly over one cent or practically twice as much. Had the public plants had a revenue per kw.h. as low as that charged by the private plants the savings to the consumers of power in Canada would have been $25,000,000.

Greater economy in operation is apparent in operation of the private plants. Although they developed two and a half times as much power they had expenses that were ten per cent lower than those of the publicly owned plants. This, despite the fact that their expenses included nearly $4,500,000 for taxes as against taxes of just over $500,000 for the public owned plants.

The following table sets down some comparative figures as a suggestion to those who wish to pursue this study further:

	Private Plants	Municipal Plants
Number	420	165
Power generated (1,000 kw.h.)	12,774,107	5,188,408
Revenue	$70,874,794	$52,008,652
Average net revenue per kw.h. (cents)	0.55	1.02
Same, for all stations (cents)		0.68
Expenses	$31,888,591	$35,543,827
Salaries & wages	$12,245,048	$12,586,773
Taxes	$4,464,299	$504,464

A portion of the difference is due to the fact that the privately owned stations probably have a larger percentage of the contracts of paper mills and large concentrated industrial plants that take power in large blocks on favorable contracts, while the publicly owned plants serve a higher percentage of domestic consumers. The appeal of the municipal plant is to the small householder. Often this appeal goes to extremes. Politicians in control sometimes consider that industrial development through low-cost power is of no value to the small man. But the chief concern of the workingman is steady employment and this is provided only by industrial expansion.

The tendency away from publicly owned power will continue in Canada because it has been amply demonstrated that the waste and inefficiency of public power amounts to many times the dividends that investors may earn from their holdings of private power securities.

PRICE DISEQUILIBRIUM

A GREAT many business men are watching commodity markets for signs of stabilization or upturn. They feel that only in a sustained price advance can impetus be found for improving business. They are encouraged by the viewpoint now being expressed by a number of economists that some modest advance in basic commodities may be expected during the next few months, but this encouragement is apt to be offset by the feeling of those same economists that the long term trend is still downward.

But it would be very unwise to assume that improving business can only be found in improving prices. The more immediate necessity is the restoration of equilibrium in the price structure and this gets down simply to the job of bringing retail prices in line with wholesale prices, in other words, readjusting prices of manufactured goods to the price level of primary commodities.

Professor Sprague, economic adviser to the Bank of England, discussed this question in a notable address in London the other day and he was very definite in expressing his opinion that readjustment requires a further considerable decline in prices of manufactured goods, and that this must involve reductions in salaries and wages, as well as in other costs. In support of this view the city editor of The Times points out that primary producers, although they may have more to sell at the present time, obviously cannot maintain their purchases of secondary products, let alone increase them, if the prices the producers receive fall 50 per cent while the prices of secondary products are either unchanged or fall by only 10 per cent. Wholesale prices have fallen far below the pre-war level, but retail prices still remain above it. This applies in Canada as well as in England and United States. It follows, therefore, that those receiving wholesale prices cannot pay retail prices and maintain their purchases at the same levels as when wholesale prices were higher and in equilibrium with retail prices.

The principal difference between a primary commodity and a manufactured commodity is the labor involved in its manufacture. If the labor employed in making the dearer article refuses to reduce its wages so that the article can be produced more cheaply, unemployment and trade depression must ensue.

In brief the tendency to lower wages is not being dictated by employers or by capitalists but by the need for readjustment, by the requirements of farmers, miners, fishermen and other primary producers and by the needs of workmen themselves, whose first consideration must be increased employment above the present unsatisfactory level.

HIGH BUSINESS ETHICS

IN SPITE of dark shadows of graft and coldbloodedness that continually cloud the business horizon, every now and then there arises a bright spot which restores faith in the humanity and high ethics of the majority of those who constitute the business world.

The outstanding current evidence of this is the story of John G. Jenkins, of Long Island, who a few weeks ago after nearly a quarter of a century of struggle, handed over a cheque for $406,000 in final payment of $1,200,000 lost by depositors in a chain of banks controlled by his father, now deceased. The crash in 1907 caused the father to die of heart failure and the son immediately set about the task of restoring to depositors every penny of the monies entrusted by clients to his father's banks. The $406,000 cheque is the final payment after a 24-year struggle

Canada, too, has many examples of such high and devoted loyalty in business and many of her leading citizens today have made similar sacrifices to clear their name and prove worthy of the confidence of those with whose money they were entrusted.

POST-scripts

OBVIOUSLY Premier Ramsay MacDonald has been listening to Eddie Cantor on the radio. Cantor, who has a shrewd faculty for telling the same jokes in a number of different places, has been springing one particularly clever one over the air in his writings. He objects to people who refuse to spend money. They are saving their money for a rainy day while if they only knew it, it is pouring like heck right now.

After one of the Downing Street Conferences, Premier MacDonald came outside and was asked by the newspaper men for a statement. He replied: "It's raining."

THE Fashion parade that is a twice-daily feature of the Canadian National Exhibition introduces one note that is novel. The models are not all lithe and entrancing perfect 34's. Rather, three of them are what we presume the garment trade would refer to as stouts or semi-stouts—middled aged women of the type who have to choose carefully the clothes they wear if they are to make their 160 pounds look smart.

This definite appeal to older women strikes us as sound business; whether it is good sales psychology or not we cannot say. But we do know that when we stood up to look around the hall at the women who gathered to see the show we saw more women akin in shape and size to the semi-stout models than to the more youthful beauties who were the cynosures of all male eyes.

As Others See Us

Favorable (?) Balances

Sherbrooke Record.—We note, with considerable interest, that The Financial Post has criticized the popular view regarding favorable and unfavorable balances of trade. Just what was the principle under which an excess of imports over exports was deemed "unfavorable" and an excess of exports over imports, "favorable," it is difficult to understand.

The Financial Post points out that when we have a favorable balance of trade, we speak of it proudly, and when the balance of trade is unfavorable, we think that the country has gone to the dogs.

Whosoever it was who coined these two descriptions favorable and unfavorable, is responsible for the psychological reaction to them that is evident today. It is only natural that the man on the street, who does not know much anyway about trade balance should accept the assertion of the wise men of finance regarding what is favorable or the reverse. Hence the mere assertion that a condition is unfavorable sends him into the blues. Yet The Financial Post is authority for the fact that, in Canada, unfavorable balances have been the harbingers of good times while favorable balances have been accompanied by depressions.

As shown by the facts presented in The Financial Post, the expression, "favorable" and "unfavorable," as applied to national business, cannot be accepted in their literal significations.

Sponsors for Beauharnois

Hamilton Herald.—The Financial Post has one sweetly solemn thought about Beauharnois this week. Here it is:

"Premier Bennett does not feel that public sentiment will be favorable to the concentration of further power resources directly under the Holt group, and for that reason he is waiting for the financial sponsors to select nationally-known, independent figures to hold the management shares in trust for the investors and the nation generally."

From this it would appear that Messrs. Holt, Gundy and their friends have lost caste to some extent. What they have done already to Canada does not warrant that they be trusted further with the opportunity to do anything more of a like nature. An analysis of their operations in promotions, stock watering and other financial devices would astonish the public, which regards all such transactions as governed by the highest possible regard for the national interest.

It is necessary that the Beauharnois project should receive the benison of the financial world at the present juncture, especially if it is to be returned to private management.

The End of Radials

The New Liskeard Speaker.—"The Canadian National has dropped the electric line from Toronto and Guelph and says it will never reopen it. The bondholders may have the property but it is not worth much. The fate of this suburban railway line shows what Toronto, Ontario, escaped when former Premier Drury refused to permit Sir Adam Beck to construct a network of electrical radial railways."

So says The Financial Post. It is not quite correct to say that Premier Drury refused Sir Adam Beck's proposal which was to have the Government of that day pass a bill making the province guarantee all money by-laws passed by municipalities for giving bonuses for building radial railways. Premier Drury did not refuse Sir Adam's request, but he delayed his answer and appointed a commission to investigate the Hydro. Before the commission's work was finished the general elections came on and another Government had to deal with the commission's report. Premier Drury never did a better public act than he did when he appointed that commission instead of passing the law Sir Adam asked him to pass. In those days no Premier dare stand out against the radial railways. Today it is not likely that there is one left which is paying running expenses on account of the buses and trucks doing the work the electric railways were built to do. Of course the Hydro was interested in the radials because the electricity was supplied by the commission.

Complete Story Lacking

The Globe, Toronto: The Globe has received a number of letters regarding omissions from the "honor roll" of newspapers which have stood four-square, regardless of party and politics, in their demand for a complete clearing up of the Beauharnois mess and collateral problems, including the campaign-fund question in general. The list published in this paper some days ago was admittedly incomplete, and was submitted as representative of what undoubtedly is overwhelming public opinion throughout the country. The section of the press satisfied—even anxious—to leave matters as they are is conspicuously in the minority, running counter to the general view and general demand, for reasons which it alone is best able to explain, but which the public can surmise. The Financial Post expressed the broad public point of view in its issue of Aug. 8:

"...The whole episode will remain under a cloud of suspicion until many questions now in the public mind, questions raised by evidence taken at the probe, are more thoroughly answered."

This is the fact which cannot be gainsaid. The inquiry itself, its manifest dodging of obvious questions—as pointed out so impressively by the Winnipeg Tribune—has left a cloud of suspicion which will not be removed without a complete investigation, going back, as The Financial Post says, to the political connections of the early promoters, and following them without fear or favor to the grand denouement.

Tariffs and Trade

The New Westminster British Columbian.—The Financial Post publishes a list of 85 new industries which have been established in the Dominion since last fall as a result of the tariff policy of the present Government.

As a matter of fact the Government can point, with justifiable pride, to a list of some 90 manufacturing plants established in Eastern Canada within the past eleven months as a direct result of its tariff policy.

Unquestionably these new industries have done much to stimulate manufacturing and to relieve the unemployment situation, especially in Eastern Canada. If the consumers, the public at large throughout the Dominion, will now do their part and demand Canadian made goods when doing their household and other shopping, the unemployment situation will be still further relieved and all within the Dominion will derive benefit.

New Business Morals For Old

By ANDRE MAUROIS
in New York Times Magazine

Practices which were fairly innocuous when confined to exceptional cases, which were not dangerous to society when used by a few great speculators against one another, become a great menace when the confidence of the masses is at stake. If the people lose confidence in the security of investments, capitalist society will not be able to go on.

If the capitalist system is to continue, the uninitiated outsider must be able to rely upon investments represented by pieces of paper bearing the signature of a great capitalist in the same way that he can rely upon a note issued by the Federal Reserve Banks.

Business morality can only be sound if there is equality between the buyer and the seller of stocks; that is to say, if all information, favorable or unfavorable, is placed at the disposal of the public in a clear and comprehensive form. Certain companies do this at regular intervals.

I am also convinced that they contribute, through their honesty, to a business revival. For the present, the great evil of the capitalist world is not lack of money. It is lack of confidence on the part of those who hold the money and to whom every investment seems unsafe. It is only through a policy of perfect frankness that one can reassure a public which has just gone through such an ordeal. The average investor must feel that he is protected by very severe conventions, just as he is in the case of money. Artificial inflation of values must be considered a crime as serious as counterfeiting, which it closely resembles. This is the only way to re-establish the confidence of the people in the system, and no society can live peaceably without that confidence.

Of course, it will mean that the general public must give up the idea of making a rapid fortune through gambling. But the great lesson of the recent crisis has been to show millions of Americans and Europeans that riches quickly gained are ephemeral and that the only true way to earn money is by work.

Wanted: Perspective On the Depression

By JAMES TRUSLOW ADAMS
in Harpers' Magazine

At the moment the most notable instance of our close-up way of looking at things is in our attitude toward the business depression. One hears constantly that this is the worst panic in our history. People talk of the terrible prices for stocks as though they were unheard-of and spelled the collapse of our civilization.

I do not wish to minimize the extreme seriousness of the present situation, but I wish to consider it intellectually and not react to it emotionally as a "close-up." When we compare the situation today with that of the good business year 1925, and consider it in relation to the previous great depressions, I think we may say that, instead of giving way to despair, we have considerable cause for thankfulness. It is the same men who, in 1929, were shouting that there was no limit to the upward swing who now are declaring that the world is in so bad a situation that there can hardly be recovery in our time. On the other hand, it is the men who, trusting to reason rather than emotion, foresaw the crash who are now most hopeful about an eventual recovery to higher levels of business prosperity than the world has ever yet attained.

The difference is that between a man with a "close-up" mentality and the man who insists upon background and relations.

Other People's Views

Public Opinion Test

Editor and Publisher: Does the average citizen think wisely of serious public affairs? Does he think at all of the vast problems involved in international political and commercial relations? Has life become so complex that none but students, exceptional philosophical people or persons with an economic stake pay serious attention to the huge mass of news and editorial opinion that the press is unfolding day by day concerning such matters as world cooperation and disarmament? In other words, is "public opinion" operating in this day?

Our Geneva correspondent, Albin E. Johnson, this week gives us a suggestion of the stupendous efforts being made by organized forces to inform the people of the world of the movement to disarm and arouse a genuine public opinion. This looks to the coming World Disarmament Conference, scheduled for next year. If this conference is to be a success it will be because there lies behind it a solid wall of popular approval of the idea of a reign of peace because of deliberate unpreparedness for war. If there is no such world-wide public sentiment the conference will fail. Hence the extraordinary efforts to disseminate propaganda, the League of Nations Information Section being unusually active. In a single month, for instance, this organization distributed some 45,000 documents. It is preparing to care for more than 500 newspapermen at the disarmament conference.

Mr. Johnson looks upon this forthcoming attempt to attain a workable cooperation among 50 nations as an acid test of the question whether there is any such thing as an "enlightened opinion" in the world, demanding that disarmament become effective. We believe an overwhelming popular sentiment exists against war, because of its infinite damages, and that the average citizen does have opinions and does somehow manage to absorb the essence of the news the American press publishes in lavish profusion. The man in the street, engaged in private conversation, is found to have real opinions. Perhaps he is thinking more earnestly about international affairs, as they influence domestic life, than ever before.

But, in our view, the disarmament conference will mainly test diplomatic leadership. A great figure, trusted and admired by the rank and file of society and capable of dramatizing the disarmament issue, can give a result that will thrill civilization. The press is prepared to record the facts and interpret their meaning. It will exert local leadership. But without a knight errant in glistening armor, beloved of the people, public opinion no matter how enlightened does not make impressive demonstrations.

Guessing Contest

The Nor' West Farmer, Winnipeg.—After a good deal of speculation and uncertainty the marketing system under which pool members' wheat will be marketed this season has been definitely announced. In addition to the 35 cents per bushel initial payment which the Provincial Wheat Pools will pay to farmers who choose to market the pool way, the Federal Government five-cent bonus will also be paid. So that actually the initial payment for wheat marketed under the pooling system will be 40 cents per bushel for One Northern at Fort William or Vancouver. Forty cents a bushel for the world's best wheat would have looked pretty small two or three years ago—and it is small, there is no question about that—but in these times when we had about decided that there was no bottom to the wheat market, it does not look so bad, particularly when there is a chance of getting additional payments later in the crop year. There is no way of forecasting the number of farmers who will take the chance of a rising market before the end of the present crop year next July, or whenever the cut-off date is set. However, pool members may take advantage of either pool market, or the open market as provided by the Canada Grain Act. The important point is to choose the marketing channel that will yield the largest net returns. It is pretty much of a guessing competition. If the wheat is worth a dollar or more by next July, the farmer will be ahead of his neighbor who elects to sell his crop for cash at threshing time. Conversely, in the event of a falling market, the farmer who sells his wheat on the open market for the cash price, plus the Federal Government five-cent bonus, will be ahead of his brother who gambled on a rise in price. Then, of course, a certain percentage of farmers will hold their wheat as they have done in other years. The most popular person in Western Canada these days would be the man or woman who could forecast the trend of wheat prices during the next ten or twelve months. Since we are unable to qualify for that honor there is nothing more to be said.

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A Scotchman discovered a previous customer's tip beside his plate in a restaurant. He summoned the waitress, "I found this beside my plate," he told her. "I'm a sportsman—I'll match ye for it."

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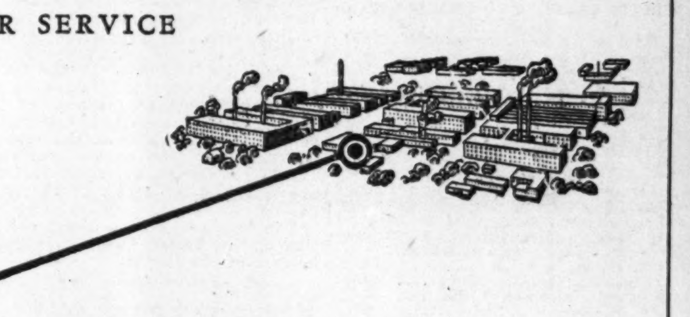

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Some Hopeful Features
Markets Reserve Judgment

NOTHING that the past week has brought forth has indicated any definitely improved trend, and except for scattered small seasonal gains reported in certain commodities, business activity remains at low levels. It is, however, regarded as highly significant in some quarters that a fairly horizontal line in general price fluctuations has been maintained since June, the longest period of near-stability since the beginning of the decline.

The depression has now lasted twenty-two months, and in another month will have exceeded in duration any previous depression of the present century. In this connection The Annalist, of New York, points out that in the depression of 1921 the entire time spent below the "100" or normal line, according to the index of business activity records of that journal, was twenty-three months, while in the 1914-1915 depression it was twenty-two months, and in that of 1907, nineteen months. The authority referred to continues:

"The two previous major depressions were, of course, much longer; that of 1893-1898 may be said to have lasted sixty-seven months (counting as part of the depression the few months when the Axe-Houghton business index managed to get barely above normal), while that of 1884-1885 lasted thirty-one months.

"There are other and perhaps better ways of measuring the length of depressions. A better measure for purposes of comparison with the present would probably be to take the length of time spent by the business index below 90, or the time in which business activity has remained more than 10 per cent subnormal, which in this country means severe depression.

"By this standard, the present depression has now lasted fifteen months, as compared with thirteen months for the 1921 depression, seven months for the 1914-1915 depression, eleven months for the 1907 depression, twenty-eight months for severest portion of the 1893-1898 depression and twenty months for the 1884-1885 depression.

"It is not to be wondered at, therefore, that doubts are beginning to be expressed on every hand as to the ability of an upturn in the output of consumers' goods such as that recorded recently to supply the necessary stimulus for a complete business revival. It is now exactly a year since cotton consumption reached the low point from which recovery occurred, and at that distance from the 1921 low point of cotton consumption the business index had risen to 87.1 from its 1921 low point of 81.6. It is now eight months since wool consumption and boot and shoe production reached their low points, but eight months after a similar performance in 1921 the combined business index had risen to above 85. A similar statement holds for silk consumption.

"In 1921, it required only about six months for the increase in demand for consumers' goods to be followed by an upturn in iron and steel output. At present, on the contrary, the steel mills look in vain for definite signs of increased demand for their products."

* * *

THE condition of affairs prior to the landslide is now being reversed. Instead of output pushing and forcing the demand, it is now waiting, with low prices in its hand for demand to give the lead. How long the demand can be delayed is hard to foresee. World conditions are acting as a brake to enterprise, although the reaction of commodity prices to anything material in the way of lower levels is considered only likely in the event of developments which might, without exaggeration, be described as catastrophic, and while an economic cataclysm is conceived it is scarcely within the bounds of reasonable probability.

In the first place, the situation in Great Britain has passed one crisis which, it is gratifying to note, while it lasted had no momentous effect upon markets, and has now improved somewhat. The majority of commodities have demonstrated an ability to maintain at least a part of the advances which followed the first announcement of Mr. Hoover's debt moratorium proposal. In regard to this condition, Standard Satistics Inc., says:

"Although this action may be attributed, in part, to specific conditions affecting the individual items, we believe that the factor of statistical position, as a measure of probable price movement at this stage of the cycle, is of somewhat secondary importance, and that the degree of future price strength undoubtedly will be contingent in large part upon the restoration of confidence among consumers of both raw materials and finished goods."

* * *

AS FAR as Canada is concerned there are one or two definitely hopeful features. Building construction in August showed a moderate increase, according to MacLean Building Reports. Engineering contracts were less, however, and caused a decrease to be shown in the total as compared with the July figures, but a reduction in forced construction gives a more healthy tinge to the condition.

The employment situation in Canada at the beginning of August showed a further upward movement, a very large gain being recorded in construction employment. Important relief works have more recently been instituted and should reflect a marked improvement in figures for the current month.

Automobile production continues to drag far below seasonal levels, and financing during July, the latest figures available, was less than two-thirds of the dollar value of July, 1930, and but 40 per cent of that for the same month in 1929.

Car loadings still run about 25 per cent below the corresponding period last year, and much interest will attach to the figures during the next few weeks which ordinarily produce greater activity.

BANK DEBITS MUCH LIGHTER DURING JULY

Montreal Debits 35 p. c. Under July, 1930; Toronto 14½ p.c. Down

Bank debits were at a relatively low level point in July, reflecting low levels of operation in business and speculation. In the 32 clearing centres in Canada debits amounted to $2,400,400,000, which was 22.4 per cent below the same month last year and 10 per cent, after seasonal adjustment, below June this year. The normal decline in July, as determined by the experience over a considerable period, is less than 1 per cent, while this year it is 11 per cent, all the five economic areas being affected. Debits in the Maritime provinces were down 13.3 per cent after seasonal adjustment; Quebec declined 10.6 per cent; Ontario, 8.9 per cent; the Prairie provinces, 9.7 per cent; and British Columbia, 6.3 per cent.

Compared with the same month in 1930, the decline in bank debits at the five main centres, ranged from 14.4 per cent in Toronto to 34.7 per cent in Montreal. Comparing the first seven months of the year with the same period in 1930, the decline for the Dominion is 14.9 per cent, the total being 18,826 million dollars. The Maritime provinces made the best showing, relatively, the recession being 8 per cent. Ontario dropped 9 per cent; Quebec dropped 18.6 per cent; while the Prairie provinces and British Columbia are down 21 per cent and 23.5 per cent.

Gain in New Contracts Feature in Dull July

General Business Indexes For Quebec, Ontario, and British Columbia Touched New Lows For Decline

By SYDNEY B. SMITH

The gain in construction, as denoted by contracts awarded and building permits, was one of the bright features in July among Canadian economic factors with geographical distribution. Financial transfers and insurance sales reached a considerably lower level in each of the five economic areas during July compared with the preceding month. As employment also showed considerable decline in all areas except in the Prairie provinces, the business trend was predominantly downward in the month under review. The business indexes of Quebec, Ontario and British Columbia reached new low points on the present movement, while gains were shown in the Maritimes and in the Prairie provinces. The highway construction programme of Saskatchewan was the main influence in raising the index for the area, although five factors out of the seven used here showed gains in July.

Maritime Provinces

The new business obtained by the construction industry was the mainstay of the economic situation in the Maritime provinces. The contracts awarded including a portion of the replacement work on the dock buildings in Saint John West, were $2,693,000 compared with $1,391,000 in June. Building permits were $391,000 compared with $226,000, whereas July is normally much less active in the commencement of construction work than June. The electric output was practically maintained at the high level established in recent months. Financial factors represented by bank debits and sales of life insurance showed rather sharp contraction and placements by government employment offices were down after seasonal adjustment. The general result in the Maritime provinces was a gain in the index of about 1.5 per cent, the standing being 127.0 compared with 125.3 in June.

Quebec

The construction industry was more active in Quebec allowing for seasonal considerations. Permits were $3,982,000 compared with $2,433,000, representing a large gain. Contract awards were $9,939,000, a gain after seasonal adjustment of no less than 56 per cent. The other factors used here joined without reserve in the decline, the drop in bank debits doubtless being caused partly by the lethargic stock market. Employment was uneven in July, construction and mining showing substantial gains, while manufacturing and logging sought lower levels.

The business index in July was 105.8 compared with 111.4 in June.

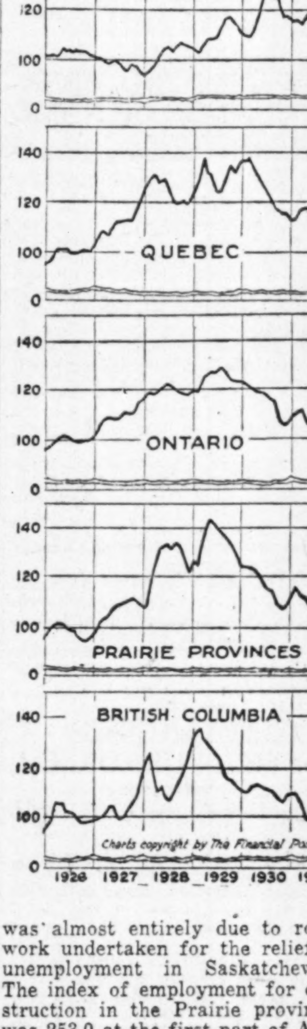
Ontario

In Ontario only two factors of the seven used here showed gains during July. Building permits after seasonal adjustment were up 32 per cent, the total in July being $4,879,000 compared with $3,908,000. Contracts awarded were only $9,362,000 compared with $13,418,000 in June. The employment record presents a long list of moderate declines, the pulp and paper industry being an exception with a slight gain. Conditions in the manufacturing industries are still unsatisfactory. Motor car factories have slowed down to a low point of operations and accessory plants are also continuing on a reduced basis. A number of new plants in various industries are being constructed and extensions made to existing establishments in anticipation of more active conditions within a reasonable period.

The business index of Ontario was 95.3 compared with 97.8 in June.

Prairie Provinces

The Prairie provinces have been seriously affected by the combination of subnormal crops and extremely low prices for grain. Despite the agricultural depression or because of it, greater activity in the construction industry was shown by the gain of 63.5 per cent in contract awards, and an increase of 32.7 per cent in building permits. These gains were shown after adjustment for seasonal tendencies. The output of electric energy augmented by the contribution of the development at Seven Sisters Falls showed a moderate gain in July over the preceding month after seasonal adjustment. Placements by the government employment offices also showed greater activity in this line than in June. The sharp rise in the index of employment



was almost entirely due to roadwork undertaken for the relief of unemployment in Saskatchewan. The index of employment for construction in the Prairie provinces was 253.0 at the first part of August compared with 141.0, a gain of no less than 79.2 per cent.

The inordinate activity in highway construction was the main influence in raising the general index of unemployment on the first of August. A development of this kind demonstrates the necessity of breaking down a general index into its components rather than making a hasty conclusion as to its significance. After adjustment for seasonal tendencies the index of employment made a gain of about 1 per cent. If about thirty of the more important sub-indexes are selected and adjusted for seasonal tendencies, it will be found that not more than one-third showed gains in July. The index for manufactures showed a decline and of the more important sub-indexes leather, paper products, printing and publishing, rubber, electric current and apparatus showed gains, but these are the only manufacturing groups out of the nineteen that were adjusted, in which gains were recorded. Gains were general in the mining division but the special feature was the sharp gain in construction especially highway construction.

General index of business in the Prairie provinces for July was 109.5 compared with 107.5 in June.

The drop in the business index in British Columbia was considerable despite the good showing made by construction. Contract awards and building permits made excellent gains in the month under review. The five other factors used here showed declines. The result was that the business index declined from 97.9 in June to 90.9 in July.

HEAVY LOADINGS FROM ANTIPODES

Canadian Boats Bound Homeward Booked to Capacity

First results of the Canada-Australia trade agreement are seen in the capacity loadings of two of the largest Canadian National freighters. now homeward bound from the Commonwealth. These are the Canadian Transporter, due here at the end of September, and the Canadian Constructor, expected to arrive at Montreal at the end of October, while The Canadian Cruiser docked at the end of last week fully loaded. Officials state that there would have been little trouble in obtaining additional cargo for these boats if they were able to carry it.

It is understood that outward carryings are improving very materially also, and there is a fair prospect that the original schedule of sailings, which was reduced somewhat last April by uniting the services to Australian and New Zealand ports, will be re-established with sailing of the Canadian Constructor for Australia in October and the Canadian Transporter for New Zealand.

Canadian exports to Australia for the fiscal year ending March 31 this year showed a considerable decline from the previous three years, whereas imports from the Commonwealth remained almost stationary. The respective figures are:

	Imports	Exports
1928	$5,301,618	$14,189,446
1929	3,484,836	19,470,305
1930	4,211,351	16,322,771
1931	4,616,722	6,788,708

Less Winter Wheat in U. S.

Reports from the U. S. Department of Agriculture state that farmers intend to sow 37,344,000 acres to winter wheat this fall, this representing a decrease of 12 per cent from the 42,220,000 acres sown last fall, and the smallest acreage reported since data of farmers' intentions was first determined in 1923. This will be the fourth successive year to show a decrease in this respect.

August Contracts Bring Year to $86,000,000

Total value of engineering and building contracts awarded for new construction throughout Canada during August amounted to $26,142,600, according to MacLean Building Reports. This total was shared by Ontario to the extent of $10,239,600 or 39.2 per cent. Quebec was awarded 37.6 per cent, or $9,822,100, while the prairie provinces accounted for 10 per cent, British Columbia 8.8 per cent, and the Maritimes 4.4 per cent.

Engineering construction was represented by $9,134,100, or 35 per cent of the total, while business buildings were steady at 31.4 per cent. The residential class showed improvement with 28.4 per cent of the total awards, "industrial" making up the balance of 5.2 per cent.

For the year to date, engineering construction remains in the lead with a total of $86,437,000, which represents nearly 40 per cent of the total for the period. Ontario leads the other provinces, new work awarded amounting since the first of the year to $84,043,900, or 38.7 per cent of the total. Quebec follows with 35.9 per cent, the prairie provinces, British Columbia and the Maritimes contributing 11.9, 8.4, and 5.1 per cent respectively.

Canada's Petroleum Exports At Better Level During July

Exports of Canadian crude petroleum for July were heavier than in June, totalling 824,771 gallons, valued at $36,200, as against 710,211 gallons, value $32,555. In comparison with July last year, however, a reduction of about 200,000 gallons and $5,600 is noted. Shipments to the United States amounted to 680,000 gallons, or something over $27,000 of the total.

Gasoline and naphtha, on the other hand, showed heavy increases in exports, the total of 1,142,621 gallons, with a value of $195,151, comparing with 270,892 gallons in June and 430,939 gallons in July, 1930. Newfoundland took 655,440 and the United States 358,862 gallons, together accounting for $170,705 of the total value of shipments.

To Hold "Canada Day" at Empire Fruit Show

The promoters of the Eleventh Imperial Fruit Show, which is to be opened in the City Hall, Manchester, on October 30 claim that it will be the largest exhibition of its kind in Europe. Numerous entries have been made by growers in the Dominions and Colonies as well as in many parts of the United Kingdom. Monday, November 2, has been set apart as "Canada Day" and arrangements have been made for the show to be visited then by some distinguished representatives of the Dominions.

A number of competitions for growers are being offered, with silver challenge cups and other prizes.

Business Briefs

Coffee imports into Canada during July totalled 2,278,462 lbs. as compared with 2,766,666 lbs. in June and 2,796,426 lbs. in July, 1930. Total value was $311,699. Average price was 13.7 cents per pound as against 15.9 cents a year ago.

Milk products imported into Canada during July had a total value of $39,616 compared with $24,763 in June and $156,595 for July last year. An enormous drop is recorded for the 12 months ended July 31, when value of imports was $2,857,021 as against nearly $16,000,000 for the previous similar period.

Concentrated milk products in Canada in July amounted to 10,272,742 lbs., this being 20¾ per cent below the figure for June and 26½ per cent under July, 1930. Total production for year to date was 18¼ per cent lower than last year at 57,953,741 lbs.

Wheat stocks as at August 21 amounted to 102,318,070 bushels as against 105,836,986 bus. at the end of the previous week. Figure compares with around 90,000,000 bus. at the same date last year. Other grain on hand totalled 30,256,716 bus. as compared with 30,453,042 bushels at August 14 and 36,282,518 bus. at August 22, 1930.

Car Loadings for week ended August 28 were only 95 cars less than for previous week at 47,461, biggest change being in pulpwood which lost 21.4 p.c. with 1,016 cars. For year to date loadings were 1,629,741 cars, 19 p.c. below last year, only gain being in "grain and grain products," up 5 p.c. Pulpwood is down nearly 46 p.c., ore 43 p.c., lumber 33.5 p.c. and "other forest products" 35.3 p.c. compared with same period 1930.

Economic Conditions in N. Z. Reviewed by Trade Dept.

Economic conditions in New Zealand during 1930 are very completely analyzed and reviewed by L. A. Paish, the British Trade Commissioner at Wellington, in his report published by the British Department of Overseas Trade.

In the regard to New Zealand's finances, it is expected that there will be a considerable deficit shown at the end of the current fiscal year, and that this will be met by additional taxation and by efforts to obtain a greater excess of exports over imports. The report states that the prices obtained for principal exports, particularly wool, fell to an alarming extent with the result that a decline of £10,500,000 was experienced, while imports dropped by £5,750,000. Among the causes to which the slump in imports are attributed are the financial stringency, increased tariffs and the development of an adverse rate of exchange with the United Kingdom. The report also contains valuable information regarding the tariff changes provided for under the Customs Amendments Act.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C.P.R. Gross Earn. (Aug. 21)	$ 2,546,000	$ 3,661,000	$ 90,083,000	$ 111,095,000
C.N.R. Gross Earn. (Aug. 21)	$ 3,163,175	$ 4,348,600	$ 113,699,290	$ 142,096,323
Car Loadings (Aug. 22)	47,461	63,909	1,629,741	2,012,579
Common Stock Index (Aug. 27)	77.9	129.2	....	....
Production—		Monthly		
Pig Iron, tons (July)	40,303	64,676	339,525	515,862
Steel, tons (July)	45,097	68,424	506,974	705,037
Newsprint, tons (July) ..	182,731	216,978	1,319,627	1,500,341
Automobiles (July)	4,220	10,188	70,305	120,873
Boots and Shoes, pr. (June)	1,576,449	1,398,444	8,978,977	8,772,583
Flour, bbls. (June)	1,121,115	1,160,922	6,648,773	7,208,226
Mineral Production—				
Gold, oz. (May)	215,200	168,270	1,040,003	800,757
Silver, oz. (May)	1,786,000	2,185,000	9,587,929	10,118,672
Nickel, tons (May)	5,327	4,769	18,170	23,263
Copper, tons (May)	13,681	13,741	64,773	65,719
Lead, tons (May)	9,823	13,313	68,725	71,656
Zinc, tons (May)	12,107	9,948	55,543	50,432
Coal, tons (June)	887,859	1,340,223	5,867,698	7,470,047
Nat. gas, M. cu. ft. (May)..	2,036,000	2,107,000	13,416,924	14,623,885
Petroleum, bbls. (May) ...	156,400	106,340	805,825	518,482
Automobile Financing—				
Used Cars (July)	$ 2,069,923	$ 3,778,515	$ 14,669,092	$ 21,865,108
New Cars (July)	$ 2,095,153	$ 2,903,003	$ 15,076,206	$ 22,133,651
Construction—				
Building Permits (June)	$ 8,470,738	$ 18,621,487	$ 57,472,274	$ 85,413,985
Contracts (August)	$ 26,142,600	$ 49,407,200	$ 217,134,900	$ 327,407,600
Labor—				
Employment Index (Aug.).	105.2	118.8	....	....
Trade—				
Imports (July)	$ 48,400,844	$ 84,550,935	$ 402,311,844	$ 627,864,935
Exports (July)	$ 49,675,120	$ 76,407,506	$ 341,395,541	$ 512,907,944
Imports of Key Products—				
Rubber, raw, lbs. (June) .	4,730,546	5,777,423	30,414,917	36,606,477
Cotton, lbs. (June)	5,269,000	4,981,000	46,207,000	45,925,000
Sugar, raw, lbs. (June) ...	55,324,800	70,447,600	362,628,200	302,414,700
Petroleum, crude, gal. (June)	117,341,108	110,593,076	464,327,863	474,096,244
Coal, tons (June)	1,198,335	1,887,497	5,365,746	7,230,426
Exports of Key Products—				
Newsprint, tons (June)....	189,739	194,321	1,025,773	1,167,602
Automobiles, No. (July) ..	934	3,521	11,076	27,121
Wheat, bus. (July)	12,004,817	19,868,298	99,891,627	79,072,494
Wheat flour, bbls. (July) .	466,967	658,834	3,132,225	6,361,116
Electric Power—Output—				
M. Kilowatt hours (June)..	1,284,260	1,434,611	8,283,698	8,949,947
Population—				
Emigration (May)	612	4,216	5,469	21,679
Immigration (April)	3,201	19,309	8,523	41,214
Finance—				
Failures, No. (June)	165	178	1,109	1,205
Failures, Liabilities (June)..	$ 4,613,464	$ 2,405,794	$ 22,853,013	$ 26,408,325
Bank Debits (July)	$2,400,403,969	$3,093,985,410	$18,825,548,263	$22,119,155,224
Bond Sales (July)	$ 7,467,700	$ 54,189,941	$ 971,842,711	$ 427,483,760
Insurance Sales (July)	$ 39,977,000	$ 46,505,000	$ 301,479,000	$ 339,239,000
Wholesale Prices (1926)=100—				
General Index (July)	71.7	85.3	....	....
Iron & its products	87.1	90.8	....	....
Cotton, raw	53.2	74.9	....	....
Grains	39.6	66.7	....	....
Live stock	78.0	107.4	....	....

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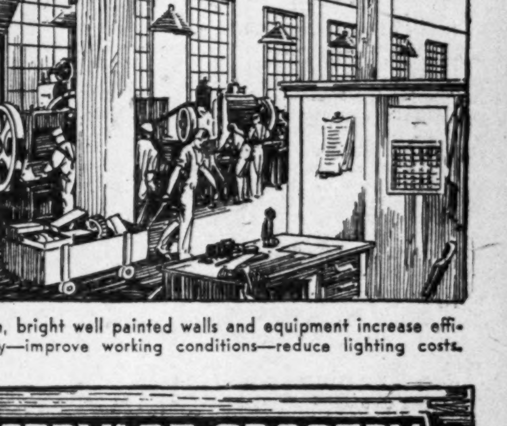

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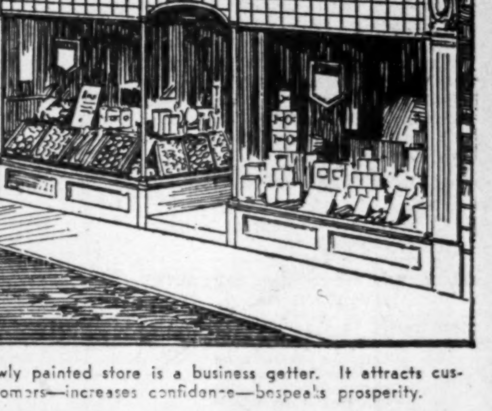

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DIVIDEND NOTICES

AGNEW-SURPASS SHOE STORES LIMITED

NOTICE

Preference Dividend No. 14

A dividend of 1¾% for the three months ending September 30th, 1931, has been declared on all the issued Preference shares of the Company, payable Oct. 1st, 1931, to shareholders of record as of the close of business, Sept. 15th, 1931.

By Order of the Board.
K. R. GILLELAN, Secretary.
July 22nd, 1931.

Nova Scotia Light & Power Company, Limited

Ordinary Dividend No. 8

Notice is hereby given that a dividend of One Dollar ($1.00) per share, for the quarter ending September 30th, 1931, has been declared upon the Ordinary Stock of the Company, payable October 1st, 1931, to shareholders of record at the close of business September 19th, 1931.

By Order of the Board,
C. J. HAYES,
Secretary.
Halifax, N.S., August 29th, 1931.

The Montreal City and District Savings Bank

Dividend Notice

A dividend of three dollars per share of the paid-up Capital Stock of this Bank, has been declared for the current quarter, payable on and after Thursday, the first day of October next, to shareholders of record Tuesday, the fifteenth day of September next, at three o'clock.

By order of the Board.
T. TAGGART SMYTH,
General Manager.
Montreal, August 25th, 1931.

DAVID & FRERE, LIMITED

Dividend Class A, No. 13

Notice is hereby given that a Dividend of 25c per share has been declared on the No Par Value Class A Stock of the Company for the Quarter ending the 31st August, 1931, payable 15th September, 1931, to Shareholders of record at the close of business on 31st August, 1931.

L. R. PHILIE,
Secretary-Treasurer.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A dividend of two per cent (2%) has been declared payable on the 15th day of October, 1931, to shareholders of record at the close of business on the 23rd September, 1931.

W. H. BLACK,
Secretary-Treasurer.
Montreal, 26th August, 1931.

STANDARD STEEL CONSTRUCTION COMPANY LIMITED

Notice is hereby given that a quarterly dividend of 75 cents per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Standard Steel Construction Company Limited, payable on the 1st day of October, 1931, to shareholders of record on the 15th day of September, 1931.

By order of the Board.
J. J. BREEN,
Secretary.

Pioneer Gold Mines of B.C. LIMITED

Non Personal Liability

Notice is hereby given that a dividend of Three (3c) cents per share (being at the rate of 12% per annum) on the paid-up capital stock of the Company, has been declared for the quarter ending the 30th of September, 1931, payable October 1st, 1931, to shareholders of record at the close of business on September 15th, 1931.

By Order of the Board of Directors.
A. E. BULL,
Secretary-Treasurer.
Vancouver, B.C., August 24th, 1931.

CANADA WIRE & CABLE COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that Dividend No. 10, at the rate of 6½% per annum, on the preferred stock; Dividend No. 10, at the rate of $4.00 per annum on the Class "A" Common Stock, and Dividend No. 4, at the rate of $1.75 per annum, on the Class "B" Common Stock of this Company has been declared for the period from 1st June, 1931, to 31st August, 1931, payable 15th Sept., 1931, to shareholders of record at the close of business 31st August, 1931.

By Order of the Board,
W. H. MARSH,
Secretary-Treasurer.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1931, being at the rate of twelve per cent per annum and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of October, 1931, to shareholders of record of the 19th September, 1931.

By Order of the Board.
C. A. BOGERT,
General Manager.
20th August, 1931.

DIVIDEND No. 16

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating
Hiram Walker & Sons, Limited
Gooderham & Worts, Limited
Distillers & Bottlers in Bond

NOTICE is hereby given that quarterly dividend (No. 16) of twelve and a half (12½c) cents a share has been declared on the outstanding no par value capital stock of this Company.

This dividend is payable (Tuesday) September 15, 1931, to shareholders of record at close of business (Tuesday) August 25.

By order of the Board,
FLETCHER RUARK,
Secretary and Treasurer
Walkerville, Can., August 17, 1931.

SAYS MATERIAL MARKETS NOW DUE FOR RISE

Horizontal Trend Since June Viewed as Good Sign

ACUTE STAGE PASSED

Standard Statistics Inc, Says Accumulation of Needs for Balance of Year May be Undertaken

In a recent anaysis of commodity prices, Standard Statistics, Inc., of New York states that it is becoming increasingly evident that raw material commodity markets have, for the most part, passed through the most acute stage of the basic readjustment period. The fairly horizontal trend since June is viewed as of great significance, since such a course has been noticeable in practically every major division for the longest period since the precipitation of the decline.

Barley—We advise buying moderately ahead on one-cent dips.

Brick—With the busiest season of the year now past, there is no evidence to indicate a near term price advance.

Burlap—Clients should take advantage of five-point breaks to satisfy needs for the next six months.

Butter—Clients are still justified in buying ahead on ½-cent recessions.

Cement—Inasmuch as price betterment likely will be postponed at least for several months, we do not advocate forward buying at this time.

Cheese—In our opinion, cheese is still in an attractive buying zone, and we advise fairly heavy purchases for seasonal account on fractional declines.

Coal—Anthracite—The outlook for this division is unsatisfactory, and we advise that commitments be further deferred.

Coal—Bituminous—Expectation of expansion in consumption and prospects for higher prices lead us to advise covering requirements three to six months in advance.

Cocoa—We continue to advise taking advantage of 10-point recessions to satisfy needs for the next six months.

Coffee—Pending definite clarification of Brazil's financial difficulties, we would restrict forward purchases to 20-point declines.

Copper—We anticipate intermittent price strength during coming months; coverage through the first quarter of 1932 would be justified on further setbacks.

Corn—Only minor price fluctuations are anticipated during the near term. Would restrict purchases to immediate needs.

Cotton—Poor statistical position points toward lower prices and makes hand-to-mouth buying policy desirous at the present time.

Cottonseed Oil—Current quotations have rather thoroughly discounted adverse influences, and clients are advised to build up a reserve supply of oil on 20-point declines.

Eggs—We continue to advocate a policy of moderate storing during periods of price weakness.

Flour—A probable change in wheat price trends necessitates unusual pliability regarding industrial flour purchasing policies, and fairly long term coverage probably will become advisable before the year-end.

Gasoline—We would contract somewhat more liberally for future requirements.

Hides—In view of possibly lower spot prices, we continue to advise that additional commitments be made only on reactions.

Hogs—With little prospect of increased demand during the near future, we would restrict purchases to current requirements.

Jute—We continue to advocate a policy of accumulating known requirements for at least six months ahead, taking advantage of any moderate weakness which might materialize within the near future.

Lead—Lead prices should display irregular strength through the remainder of 1931; early 1932 requirements should be covered on recessions.

Linseed Oil—Coverage of at least six months' requirements, at 8.3 cents or better, is advised.

Lubricating Oil—We advise a more liberal buying policy than during recent months.

Oats—In our opinion, prices are well deflated, and moderate forward purchases are warranted on one-cent dips.

Paper—With production exceeding demand and stocks high, we see no reason for making long term commitments in the wrapping and fine paper division at this time.

Paraffin Wax — We continue to advise building up a reserve supply at current prices or on ⅛-cent declines.

Petroleum (Crude)—We would contract liberally for requirements over the next three or four months.

Pig Iron—Unpropitious price outlook justifies maintenance of hand-to-mouth consumption policies.

Rayon—Cellulose Acetate—We continue to advise purchasing for immediate needs only.

Rayon—Viscose—In anticipation of a moderate advance in prices, we advise that requirements be covered for at least three months in advance.

Rosin—Advise that requirements up to the next season be covered gradually on 10-point recessions.

Rubber—We think coverage should be assured for the next several months on further price recessions, say to 5 cents, but advise against longer term commitments in the face of the unfavorable statistical situation.

Rye—Although price strength is contingent upon the clarification of the wheat situation, we advise moderate forward purchases on 2-cent declines.

Shellac—Consumers are justified in taking advantage of market weakness to build up a reserve supply for future requirements.

Raw Silk—Indications that further price advances will be witnessed lead us to counsel forward buying for known needs during the next two or three months.

Silver—For those who have not already covered remaining 1931 needs we advise such a policy at present.

Steel—In the absence of indications of price stability in most steel classifications, we see no reason for extensive forward buying at this time.

Scrap Steel—In view of the weak statistical position of scrap, we advise that only immediate requirements be filled.

Sugar — We advise consumers to keep comfortably covered over the next few months. Tin—Days of price weakness should be utilized to cover remaining 1931 requirements.

Turpentine—We advise the gradual accumulation of requirements up to the next season on one-cent breaks.

Wheat—Lack of speculative support will tend to prevent a sharp recovery in prices until the termination of the heavy marketing season. However, clients are now advised to gradually accumulate forward requirements on 2-cent breaks.

Wool—Only near term requirements should be covered at this time.

Zinc—With a gradual improvement in statistical position indicated, we believe coverage of requirements through the first quarter of 1932 is justified.

Canadian Automotive Industry

DOMINION MOTORS BEGINS PRODUCING FRONTENAC SIX

New Model Offers Most Modern Features in Low-Priced Field

The mystery surrounding the name of the new car which Dominion Motors, successors to Durant Motors of Canada, are producing, preliminary details of which appeared in last week's issue of The Financial Post, is now dispelled with the company's announcement of the new "Frontenac Six."

This new model, which is named, after Count Frontenac, governor of New France in the 17th century, is a smart, speedy, low-priced six-cylinder car and it embodies modern features.

Freewheeling of the selective type is standard on all de luxe models and optional at extra cost, on others. It is operative on all forward speeds, and according to Dominion Motors engineers, is "fool-proof," permitting silent shifting of gears without declutching. A manual control enables the driver to suspend the free-wheeling feature, when the car drives normally.

Also Automatic Starter

The Frontenac Six de luxe model is the first automobile in its class to feature the new "Startix" starting switch, by which the engine is automatically started immediately the ignition key is turned, thus eliminating the necessity of a starter-pedal.

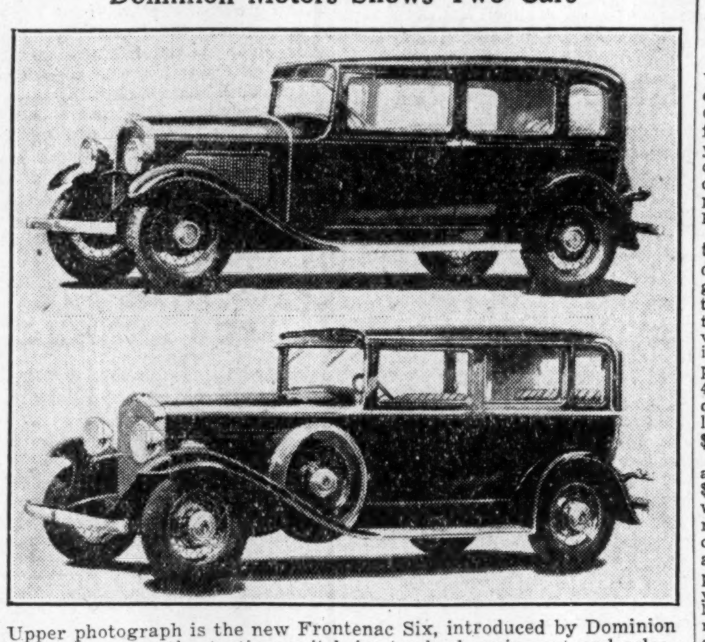
The power unit is a "Red Seal" Continental motor and is said to have smoothness, acceleration and power. Other major features are four-wheel steel hydraulic brakes, two-way shock absorbers, and scientific spring suspension.

Body types immediately available are the Special Sedan and the De Luxe Sedan the Toronto prices of these, including tax, being $975 and $1,097 respectively. The additional cost for free-wheeling on the Special is $35, and for the automatic starting $15, but the De Luxe model includes both these features as well as several other refinements.

Bodies are of the streamline type, mounted on a double-drop frame by which a low centre of gravity is obtained. The roof line is low, yet it provides ample headroom. The radiator is of a completely new V-type design of pleasing appearance. Wire wheels are standard equipment.

The new model Frontenac will be sold and serviced through the company's sales division, Durant Motors Ltd., and the nation-wide Durant dealer organization.

Dominion Motors Shows Two Cars



Upper photograph is the new Frontenac Six, introduced by Dominion Motors. Automatic starting switch is standard equipment and selective free wheeling is standard on some models and optional on others at additional cost.

Lower photo is the Durant 6-18, manufactured by Dominion Motors. Free wheeling and automatic starting switch are features of this model also.

CAN. GOODRICH CO. INTEREST NOT PAID

Results of First Six Months' Operations Show Deficit

Holders of Canadian Goodrich Co., seven per cent 20-year income bonds due January 1, 1943, have been advised by the trustee, the Eastern Trust Co., that no action has been taken by the company relative to the payment of interest due September 1. Operations of the company for the first six months of the current year are said to have resulted in a deficit. No intimation is given regarding the possibility of resumption of interest payments, nor of the current position of the company.

In addition to the income bonds, of which issue $1,048,600 was outstanding as at December 31, 1930, the company also has an issue of seven per cent 20-year first mortgage bonds due January 1, 1943, the amount outstanding as at December 31 last year being $205,200. Interest on this issue has been paid to date.

Following the capital reorganization of the company which took place in 1927, holders of the income bonds waived interest which was then in arrears to the amount of $220,206, and agreed to the suspension, until July 1, 1930, of the cumulative interest feature on the bonds, so that interest during the intervening period would be paid only if earned. Under this arrangement interest on the income bonds was paid for 1927 and 1928. In 1929 and 1930 the company showed a deficit from operations, and consequently no interest payments on this issue have been paid since March 1, 1929. Interest, however, is now cumulative since July 1 last year.

In the 1927 reorganization The B. F. Goodrich Co., of Ohio, approved of a request to supply over $1,250,000 in new capital, taking therefore no par common shares of the company on the basis of $25 per share, and now holds 50,000 of the 70,412 common shares outstanding.

Vehicle Exports Drop Further

Total value of exports of vehicles (of iron) exported by Canada during July dropped from the June figure of $526,764 to $462,259. This compares with a value of $1,617,541 exported in July, 1930. The classification includes freight and passenger automobiles, tractors, bicycles, railway cars and coaches, etc., and parts of some.

No Cut in Dividend Scale Says Mutual Life President

Leading producers of the Mutual Life of Canada, comprising the company's Quarter Million Dollar Club, met in convention at Lucerne-in-Quebec, September 1 and 2.

The gathering was addressed by the president of the company, R. O. McCulloch, who made an announcement of greatest importance to policyholders and field men of the company alike, when he stated that, after taking all factors of the situation into account the board of directors has in contemplation no change in our present scale of dividends for 1932. He felt sure that would be welcome news in view of dividend reductions being prevalent in so many directions. He concluded his address by pointing out that the company's progress continued steady, substantial and satisfactory, the gross amount of the company's life insurance in force now being well over 510 millions.

Nickel Products Exported Show Increase in July

The value of fine nickel exported in July last, was $326,510, as compared with $416,787 in June. The value of nickel oxide in July was $184,232 as compared with $85,563 in June.

The figures compare with shipments in July, 1930, valued at $877,827 for fine nickel and $90,424 for nickel oxide.

Practically all the shipments of fine nickel went to the United States, while practically all the nickel oxide went to the Netherlands.

AUTO PRODUCTION DROPPED HEAVILY IN CANADA, JULY

Adjusted Index, Based on 1919 to 1928 Inclusive, 25 p.c. Under Par

Production of automobiles in Canada during July numbered 4,220 cars, which, giving a rate of 136 cars a day, was 40 per cent under the 228 cars per day in June, and compares with a daily average of 329 cars in July, 1930. Comparison of this month's figures with data for the previous month shows that passenger cars dropped to 3,151 from 5,583, and trucks to 1,069 from 1,252. Expressed as a percentage of production for the period 1919 to 1928 inclusive, adjusted for seasonal variation, the index of production as computed by the Dominion Bureau of Statistics reached the low for any month of this year when it registered 25 per cent of normal in July.

Customs' records for the month under review showed that 383 cars were imported into Canada and that 1,009 cars were exported during the period. Figures for the first seven months of this year showed total imports at 7,941 cars and exports at 11,460 cars as compared with imports of 18,020 cars and exports of 27,383 cars during the corresponding period of last year.

The number of new cars made available for use in this country during the seven months ending July 31, 1931, totalled 68,350 cars as compared with 111,676 cars in the first seven months of 1930.

SEES LARGER SALES OF AUTOS IN 1932

General Motors Head Expresses Confidence in Near Prospects

"More confidence in the business future is warranted today than was justified in the early part of this year." This is the encouraging conclusion of H. A. Brown, vice-president and general manager, General Motors of Canada, discussing the automotive situation following the Motor Show at Canadian National Exhibition.

"There is no reason," he said, "for us to change our views on the fact that the long term trend of business in United States and Canada is still upward.

"There has been, I notice, no decline in the consumption of gasoline, and it is, therefore, safe to assume that automobiles are being used today just as much as during the peak month of 1929; which means that motor cars are being worn out and will ultimately have to be replaced.

"In January, 1932, 25 per cent more people in the United States and Canada who have purchased cars on time payment plans will own their cars outright than in January, 1931. Moreover, statisticians have figured that in 1932 approximately 2,000,000 more automobiles will need replacing than in January, 1931. Keeping these facts in mind and being of the opinion that automobiles long ceased to be a luxury and are now a necessity, we feel that any slight uptrend in general business conditions will have an extremely stimulating effect on automobile business for 1932, with the possibility of sales in 1933 closely approximating the peak sales of 1929.

"As far as we ourselves are concerned, we are looking with confidence to improved production activity in the coming year."

Asbestos Corp. Plans Temporarily Abandoned

From Our Own Correspondent

MONTREAL.—Owing to the lack of a quorum at the meeting on August 31 of 5 per cent bondholders of Asbestos Corp. of Canada, subsidiary of Asbestos Corp., proposals which were put forward to relieve the parent company of certain interest obligations, have been temporarily abandoned.

There are $288,000 of these 5 per cent first mortgage bonds outstanding. Bondholders were asked to allow cancellation of those which had been purchased for sinking fund, or to sanction postponement of interest due July 1, 1931, January 1 and July 1, 1932, and postpone sinking fund installment due January 1, 1932, for one year.

Raise Wheat in Lake

On the site of what was recently Tatagwa Lake, the heaviest crop of oats ever raised in the Weyburn district is being harvested. The dry lake lies ten miles west of Weyburn and covers about 2,000 acres.

NOTICES

$55,000.00 NEEDED

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NEW AUTO CHAMBER BY CHANGE OF NAME

Automobile Manufacturers' and Exporters' Association Adopts Broader Title

At a meeting of the directors of the Canadian Auto Manufacturers & Exporters Association, it was decided that the name would be changed to Canadian Automobile Chamber of Commerce.

The function of this association parallels closely that of the National Automobile Chamber of Commerce in the U. S. A., and it was felt that the adoption of the new name would be more descriptive of the association's activities.

The members of Canadian Automobile Chamber of Commerce are: Chrysler Corp. of Canada; Dominion Motors; General Motors of Canada; General Motors Truck & Coach of Canada; Studebaker Corp. of Canada; and Willys-Overland.

D. R. Grossman, of Studebaker, is president; T. A. Russell, of Willys-Overland, is vice-president, and J. L. Stewart is general manager.

Offices of Canadian Automobile Chamber of Commerce are 1006 Lumsden Bldg., Toronto.

AUTO FINANCING STILL SUBNORMAL

July Figures Lighter Than June, and 38 Per Cent Below July, 1930

Total number of cars financed in July was again lower, being 10,247 as compared with June's 11,537, while the value was approximately $750,000 lower at $4,165,076. These figures compare with 13,420 cars financed in the total amount of $6,681,518 in July last year.

New cars financed numbered 3,381 as against 3,796 in June and 5,077 in July, 1930, the corresponding values being $2,095,153, $2,444,721, and $2,903,003.

It is interesting to note in comparing this July with the same month last year, that while the number of used cars financed was 17.7 per cent lower, the value showed a 45.2 per cent reduction. As regards the new cars, 23.7 per cent less in numbers were financed, against a 37.7 per cent drop in dollar value.

Canada Steamships Named in Lock Crash

From Our Own Correspondent

MONTREAL.—Both the chief and third engineers of the Canada Steamships Lines' S. S. Rapids Prince were found in default for the casualty that occurred on August 2, when the steamer crashed into the western gate of Lock 2, Lachine Canal, and caused material damage. The canal organization was also found culpable to some extent in the judgment of Captain L. A. Demers, Dominion Wreck Commissioner, who stated that had the letter of the regulations been carried out with regard to the number of lines used, and the supervision of checking, it was logical to assume the impact would have been minimized.

The chief engineer was found in default for lack of superficial supervision, while the third engineer was found in default from wrongly operating the engines. No official estimates of the amount of the damage has been published or the extent to which Canada Steamship is liable. It has been pointed out, however, that the Rapids Prince was fully covered by insurance against property damage.

Charles Gurd (Maritime) Business on Sound Basis

From Our Own Correspondent

MONTREAL. — Charles Gurd and Co. (Maritime), subsidiary of Charles Gurd and Co., beverage manufacturers of Montreal, has published an announcement stating that the first six months of the current year have passed successfully without staff or salary reductions, an indication that the company's business has held up in a satisfactory manner.

Though local and maritime sales for 1930 showed an increase over those of the previous year, selling and distribution costs affected earnings adversely and net profits were $11,720 as compared with $13,754 in 1929. Export sales, however, exceeded those of the preceding year; the company's chief export market is the British West Indies.

British Dominion Power Has License Renewed

From Our Own Correspondent

MONTREAL. — Application of the British Dominion Power Co. (Canada) for renewal of a priority permit for the development of power at White Mud Falls on the Nelson River in Northern Manitoba has been granted by the Manitoba government. It is stated that the order-in-council will be filed next week.

The first permit was granted in 1929, but expired in May last year. This was renewed but a further renewal was again required this year.

It has been estimated that the main falls can be developed up to 180,000 h.p. minimum flow, with a six months maximum of 290,880 h.p. Sir Joseph Brade, English capitalist, negotiated the first application to develop the site.

Price Trend of Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 68.4 for the week ending August 27, as compared with 68.5 for the previous week.

VANCOUVER DRUG PROFITS ARE DOWN

Earnings Applicable on Common Equal 37 Cents Per Share

Annual report of the Vancouver Western Drug Co., for the fiscal year ended May 31, 1931, reveals net profits of $33,142, after a larger allowance for depreciation than in the previous year. Earnings after preferred dividend requirements applicable to the common stock were equal to 37 cents per share, in comparison with $1.92 per share in the previous year.

Gross profit for the year amounted to $400,312, showing only a slight decrease under the previous year's gross of $412,851. Selling, administrative and general expense amounted to $330,675, which together with provision for depreciation, $23,398, and income taxes of $13,097 left a net profit $33,142, as compared with $64,470 last year. Preferred dividend requirements accounted for $25,795, leaving a balance carried forward of $7,347.

The consolidated balance sheet as at May 31, 1931, shows total assets of $1,124,525, in comparison with the previous year's total of $989,341. Current assets totalled $470,501 as against current liabilities of $147,365, leaving a net working capital of $323,236 compared with $391,375 in the previous year, the decline being accounted for largely by additions to the company's realty holdings, it is explained. Fixed assets after reserve for depreciation are shown at $646,491, in comparison with $504,478 in the preceding year. Liabilities consisted of mortgage and purchase agreements payable, $88,161, reserve for premium on redemption of preferred shares $462, and capital stock $828,007. The surplus account amounted to $60,530.

The company operates through subsidiaries a large chain of drug stores in Western Canada, also a wholesale and manufacturing business. An extensive holder of real estate, company owns fourteen of its nineteen locations, and in a number of cases operates business and apartment blocks in conjunction with its business. Sixteen stores are operated in Vancouver, and one each in Victoria, New Westminster and Chilliwack. During the past year one new store was opened at Nanaimo and Hastings Streets, Vancouver.

Outstanding capitalization consists of 3,994, 6½ per cent cumulative sinking fund preferred shares, $100 par value, and 20,000 no par value common shares.

Following is the comparative profit and loss account for the 1930 and 1931 fiscal years ended May 31.

	1931	1930
Gross profit	$400,312	$412,851
Sell., admin. & gen. exp.	330,675	316,440
	69,637	96,411
Less. Depr. res.	23,398	21,391
Inc. tax res.	13,097	10,550
Net profit	33,142	64,470
Less: Pref. divds.	25,795	25,997
Surplus for year	7,347	38,473
Add: Prev. surplus	53,183	14,710
Bal. carried for'd	$60,530	$53,183

Can. Foreign Invest. Pays Pfd. Arrears

Directors of the Canadian Foreign Investment Corp., Ltd., have declared a dividend of 4 per cent on the outstanding 8 per cent preferred stock, payable on September 10, to shareholders of record September 5. With this payment all arrears in dividends on the preferred stock are paid up to date.

During 1930 preferred dividends were paid regularly on a quarterly basis with the exception of the last payment, due January 1, 1931. Payments were resumed, however, with the July 1, 1931, payment of 2 per cent.

The Canadian Foreign Investment Corp., is a holding company, controlling Cia Brasileira de Cimento Portland S/A (Brazilian Portland Cement Co.). Last December, following the disturbance in Brazil, preferred shareholders were told that owing to the outlook directors wished to conserve the cash resources and although the dividend due January 1, 1931, had been earned, its omission was decided on. The assumption now is, with the payment of all arrears, directors are of the opinion that conditions in Brazil have improved considerably.

Joint Manager

COL. REGINALD PELLATT,

who has been appointed joint manager with Herbert A. Telfer of the Toronto office of Frazier Jelke & Company, members of the New York Stock Exchange.

Bondholders Ratify Victory Building Sale

Approval was given by bondholders of 80 Richmond St. West, Ltd. to the sale of the Victory Building, Toronto, at a meeting held on August 26. Under the terms of the offer the bondholders will receive $1,000 second mortgage bond and one share of no par value common stock of Richmond Realty Co. for each $1,000 bond now held. The coupon rate on the new bonds has not yet been definitely established.

Within the next few days it is expected that full details of the sale will be completed and construction on the building will start immediately thereafter. As previously announced in The Financial Post, the building will be completed to a height of 22 stories and will be used as a display and sales centre for British Empire products. Exchange of securities of the old company for the securities of Richmond Realty Co. will follow completion of all legal arrangements of the sale.

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BRAZIL SUSPENDS S. F. PAYMENTS

Will Deposit Milreis—Interest Requirements Will be Met

Temporary suspension is announced by the Brazilian government, as from September 1, 1931, of sinking fund payments due on all its external loans, except two funding loans and the 7½ per cent 1922 coffee security bonds issued in London and New York. Through suspension of sinking fund payments the government hopes to be able to provide foreign exchange necessary for future interest payments on its external loans.

Action is stated to have been taken with the advice of Sir Otto Niemeyer who recently made a comprehensive study of the financial position of the country. Brazil in common with other South American countries has been adversely affected by prevailing rates of exchange which have greatly increased the total of payments due on external loans.

Indication that the Brazilian government is following a plan somewhat similar to that recently placed in effect by Chile is given in the official announcement as follows:

Will Deposit Milreis

"The Government hopes that, with alleviation resulting from this suspension, it will be able to continue to provide foreign exchange necessary for payment of interest on its external loans. Until the Government is of the opinion that application of sinking fund can be resumed without damage to exchange or carrying out of the plan on which it is at present working, it proposes to deposit with a bank to be agreed upon, sums in milreis sufficient, at a rate of exchange of 4d, to provide the several sinking fund payments as and when they become due.

"Should representations of bondholders so prefer, the Government would be prepared to destroy sums in milreis referred to, or employ the amount in redemption of internal bonds or apolices."

Alberta Creamery Receipts Gain

Alberta creameries received during the five-week period ended August 1st an increase of 13.6 per cent over receipts of the similar period of 1930. From January to July, inclusive, the increase was 48.7 per cent for central Alberta and 37 per cent for the province.

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In addition, the service supplies you throughout the year with current items of importance affecting the companies whose securities you select. The review of Montreal Power, illustrated above, is a 12-page booklet giving important facts about the company.

Many individual investors are using these special services, thus benefitting from the investigations and research of The Financial Post Corporation Service.

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Your Investments

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Can. Northern Power

Among my holdings are some bonds of Canada Northern Power Corp. Has this company done well this year and are earnings higher?

Canada Northern Power Corp. is making progress this year. Net earnings for the first six months showed an increase of 5.25 per cent over the same period in 1930, and output of power has shown satisfactory gains. Activity in the gold mining district served by the company has been encouraging, and the prospects are that this situation will continue. Interest charges, after depreciation, were earned nearly twice over last year; requirements in this connection will be higher in 1931 due to the issuance of $2,000,000 of additional bonds in December, 1930.

N. B. Power

I have considered purchasing some New Brunswick Power Co. bonds. Have you any information on current operations and would it be reasonable to assume the bonds would approach par in about five years' time?

New Brunswick Power Co. has been making progress in recent years, and total net revenue has shown a tendency to increase steadily. Bond interest, after depreciation, was earned 2.70 times in 1930 and more than twice over in the preceding two years. Sinking fund operations are reducing the amount of bonds outstanding each year and at the end of 1930 they totalled $1,776,000. Though no figures on earnings during the current year have been published, our understanding is that the company has made a relatively good showing to date. Light and power business is not unsatisfactory, though railway revenue is reported to have shown some decline.

If you purchase the bonds today it is reasonable to assume that they will approach par in five years' time, since the issue matures in 1937. This premise, of course, is based on the assumption that the company continues to progress; its record in recent years, under control of Federal Light and Traction Co., since 1923, is worth considering in this connection.

G. B. & C. Trust

Please give me some information regarding the debentures of Great Britain and Canada Investment Corp. Was interest earned by a satisfactory margin last year and do you think it will be covered this year?

Owing to stock market conditions in the past two years, operations of investment trusts have been adversely affected. Income of Great Britain and Canada Investment Corp. in the year ended March 31, 1931, totalled $557,214 as compared with $654,802 in the previous year. Interest on the debentures, however, was earned nearly twice over. While income is likely to show a still further decline this year the debentures are a first charge on earnings and interest requirements of $270,000 each year are not excessive. An improvement in market conditions will tend to increase the equity of the debentures.

Canada Wire

I have some "A" shares of Canada Wire and Cable. Can this be regarded as a satisfactory investment and do you think earnings will be higher this year?

Canada Wire and Cable is reported to be making satisfactory progress. As you know, the company's new rod unit was recently opened in Montreal East and from now on activities at this plant will find reflection in earnings. The preferred shares constitute the first charge on earnings, since the company has no funded debt, and profits in 1930 were equal to $22.86 a share on the senior stock. Canada Wire occupies a sound position in the industry it serves and is likely to benefit by further expansion in the utility field. The unsettled condition of the metal market has likely found some reflection in the company's inventory position, a factor which may tend to lower earnings this year.

Has Money to Invest

Below please find list of securities I own on which I shall be glad to receive your comments, and suggestions as to sale and reinvestment of funds therefrom. In addition I have $7,000 to invest, and have been considering distributing this sum between Imperial Tobacco, additional B. C. Power A, and Page-Hersey, Quebec Power, Can. Hydro-Electric, Canada Dry, Steel of Canada and Building Products. Do you consider commitments on these stocks would prove remunerative and reasonably safe for a long hold? Canadian Pacific Railway, St. Maurice Valley, B. C. Power "A," B. C. Power "B," Alberta Pacific Grain pfd., Brantford Cordage, Massey-Harris, General Steel Wares pfd., Service Stations pfd., International Milling 7% pfd., Bank of Commerce, Page-Hersey Tubes, Ford "A," Durant Motors, Noble Five, A. P. Con. Oil, War Bonds.

These stocks show me a loss at present prices of $3,700. I may say I have an income in addition to the above, so there is no immediate hurry to buy or sell.

Canadian Pacific Railway common stock is suffering from the general uncertainty as to the future of the company based on the agricultural depression in Western Canada and the competition of newer forms of transport. There is no definite assurance yet that the company will continue to pay its dividends and investors must be prepared to be patient before Canadian Pacific Railway stock can be expected to come back to former levels.

St. Maurice Valley Corporation stockholders were offered an exchange of their securities for securities of the new Consolidated Paper Corporation and we feel you would be wise to take this exchange.

British Columbia Power Corporation is doing exceedingly well, and we see no reason why the shares should be disposed of.

Alberta Pacific Grain is being brought back under able management. It is facing a very unsatisfactory year due to the small crop in Western Canada but over a long term of years the grain companies generally have done well and will probably continue to do well.

Massey-Harris is going through a drastic process of reorganization but investors have the satisfaction of knowing that the liquid position of the company is at least better than it was following the farm depression of 1923-24 and the new interests in control should be able, if given time and fair conditions to restore the company's position.

General Steel Wares is a merger that is not yet working out very well. The company is going through a process of internal reorganization but the merger has yet to demonstrate sustained earning power.

Service Stations is not enjoying as great a year as previously, due chiefly to the decline in construction of new gasoline filling stations. The company has broadened its line of products. It is well managed and the outlook is not unsatisfactory at all.

International Milling is suffering from conditions that are common to all milling companies but the record of the company in the past lends hope that the preferred shares will hold their investment status.

Canadian Bank of Commerce is one of the three largest Canadian banks. It is well managed, and while it is undoubtedly suffering losses in common with other banking corporations we understand that its internal reserves will amply cover any losses it may sustain.

Page-Hersey Tubes is one of the strongest Canadian industrials and is earning its dividends even in this current year of depression.

Ford Motor Company will not have a very good year due to the decrease in automobile buying but we know of no reason to believe that Ford will not maintain its relative position in the automotive markets in the future.

Durant Motors is in somewhat similar position as regards current year's earnings. The company is introducing new models and under the aggressive management that it enjoys should be able to restore its earning power.

Alberta Oil stocks are not at all attractive at the present time and the likelihood of a comeback is somewhat remote.

The securities you mention for additional investment are all attractive. Other securities might be selected from the list of "Stock Market Leaders of To-morrow" now being covered weekly in The Financial Post.

Foreign Power

I would be obliged if you would tell me what earnings of Foreign Power Securities Corp. were for the first half year of 1931. What were profits on the preferred last year?

Since Foreign Power Securities Corp. does not issue interim statements on earnings during the year, it is not possible to give any definite figures on progress in 1931. It was intimated in the last annual report, however, that revenue from investments might be decreased due to some high interest rate bonds and loans having been retired and the money having to be reinvested at lower rates. In the last fiscal year ended October 31, 1930, earnings before income tax, were equal to $8.38 a share against dividend requirements on the preferred stock of $6 a share.

Can. Hydro-Electric

I bought some preferred shares of Canadian Hydro-Electric Corp. at a price well above present levels. I notice that the shares have declined substantially and am wondering whether the dividend is in danger. Can you enlighten me?

In face of reported earnings of Canadian Hydro-Electric Corp., the decline in the preferred shares is rather difficult to analyze. In each of the first six months of this year preferred dividends have been earned, for the period, more than twice over; for the twelve months ended June 30, balance for dividends, after interest and depreciation, was $2,044,076 as compared with $1,484,446 in the same period in 1930. In the period, dividends on Canadian Hydro-Electric preferred required $750,000.

Gatineau Power Co., the major subsidiary, has reported further gains this year and revenue for the twelve months ended June 30 was higher by over $1,000,000 at $8,154,002. Further installations are under way at the Paugan plant to take care of increased output demanded by the company's contract with the Ontario Hydro-Electric Commission.

Algoma Consolidated

As a subscriber to The Financial Post, I would like to know whether the new company which has been formed to take the place of Lake Superior Corp. still guarantees the five per cent first and refunding mortgage bonds of Algoma Steel Corp. If so, why have quotations declined; are earnings lower this year? Can you tell me if the new rail mill is active and what are the prospects for business this year?

While Algoma Consolidated Corp. still guarantees the principal and interest of the five per cent first and refunding mortgage bonds of Algoma Steel Corp., the decline in the prices of the bonds can largely be attributed to the prospect of lower earnings this year. Activities of all steel companies have been sharply curtailed owing to general business conditions and though no figures on earnings have been published, it is evident that Algoma Steel Corp. will show a reduction in profits for the year ended June 30, 1931. All information regarding earnings is withheld until publication of the annual report, which is expected some time in September; whether bond interest has been earned remains to be seen; present quotations on the bonds indicate that investors feel that earnings may fall short of interest requirements.

Though details of orders are not available our understanding is that the new rail mill is operating at the present time. The outlook for the current fiscal year, which began July 1, cannot be considered very encouraging. Steel production has fallen to a relatively low level and until there is an improvement in general conditions, activities of Algoma Steel are likely to be maintained on a somewhat restricted scale.

Canadian Pacific

Please give me your opinion as to the current outlook of C. P. R. I have considered purchasing some of the stock at present levels, but am somewhat doubtful of the immediate future. Can you tell me what the equity back of the common stock amounts to?

As you know, earnings of Canadian Pacific Railway have shown a decline during the current year, and though operating expenses have been drastically cut, net earnings in the first six months were lower by 14.8 per cent as compared with the same period last year. The immediate outlook for an improvement in revenue is not encouraging though movement of grain this fall will give a temporary stimulous to operations. The price of the shares today is lower than it has been since 1898, an indication of the pressure which has been brought to bear on the rails, it is also an indication that investors are not optimistic regarding maintenance of current dividends. Given a return to improved business conditions and a normal movement of the wheat crop, C.P.R. should resume its usual steady progress; until there are more definite indications of a betterment in the general situation one cannot be certain.

The equity of the common stock, as shown on the balance sheet at the end of 1930, was $47.42 a share.

Empire Loan

We would appreciate receiving from you any information you can supply in regard to Empire Loan Co., Winnipeg, and as to the market value of its stock.

Empire Loan Company is a small loan company in Western Canada that has not yet shown a particularly good record of success. Western farm conditions have worked against the company and no dividends have been paid since early in the war. Profits have not exceeded 3 per cent on the capital stock since 1922 and in 1930 were approximately $13,000 or 2 per cent on the outstanding paid up capital.

There is only a narrow market for the securities of the company and they would probably have to be marketed in Winnipeg with the co-operation of officials of the company. The shares are not listed on any exchange, are not quoted by unlisted dealers and are not generally traded in among financial houses in Winnipeg.

Looking for Safety

I have been a regular subscriber to your valuable paper, but a few months, and am coming to you at this early stage for your valued opinion on my list of investments. It has been my policy in the past to build a reasonably sound list as an addition to insurance, and I feel during the past year I have been slipping as regards soundness of some of the securities. I have acted on advice that does not in the light of present conditions, appear to have been of the best. I am enclosing a list of our holdings, and would appreciate very much your survey and suggestions with regard to strengthening the list. We have a thousand dollars at the present time for investment, and are just doubtful whether to purchase a sound municipal bond, or dispose of some of the weaker of our list, and add the new capital to purchase the sale amount in strong municipal or government bonds.

Japanese Government; City of Vancouver; Newfoundland Light & Power; City of Prince Rupert; British Columbia Power Corp.; West Canadian Electric Corp.; Westminster Paper Co.; Associated Telephone & Telegraph; Ontario Power Service; Great Britain & Can. Invest.; Calgary Power, preferred; Fraser Co., Cont. Note; Can. Hydro Electric Corp., preferred.

I am not so worried that some of the above are many points down, as we are concerned as much more with continuity of income and safety of principle, and would rather take any loss now if you felt it advisable, and get into something that would give one no worry.

As you are apparently concerned chiefly with the absolute safety of your list and only secondarily with the income from your investments you might be wise to purchase only the soundest securities with any additional capital you have available. Some of your holdings have sold down considerably due to general market conditions and others due to weaknesses that have developed in the companies.

The Japanese Government bonds, the City of Vancouver and the City of Prince Rupert bonds may be regarded as suitable for long term holdings.

Newfoundland Light and Power has shown a good record and while the company is not expanding rapidly the bonds are reasonably well protected.

British Columbia Power Corporation bonds are sound and need not give you any worry. Associated Telephone and Telegraph is another good issue.

Ontario Power Service bonds are a construction issue but the interest is guaranteed partially by a contract with Ontario Hydro-Electric System and partially by the financial resources of the parent company, Abitibi Power and Paper.

Westminster Paper is a small company and its bonds can never enjoy a wide market. The management has shown a very aggressive spirit and some ability in meeting the problems of and expanding its business. Nevertheless the bond is not one of the highest grade due to the small size of the company and the limited market for the issue. Something of the same weakness exists in West Canadian Hydro-Electric Corporation although the company's earnings have shown fair expansion.

The Fraser note is not a strong issue and when it matures you will probably be offered some other security in exchange. Great Britain and Canada Investment Corporation issues offer a substantial measure of protection.

Calgary Power preferred and Canadian Hydro-Electric Corporation preferred are showing good earning power and are reasonably satisfactory.

We never undertake definite recommendations for the purchase or sale of securities. This is a job for the investment banker. But we should be glad to make brief comment on any security suggested to you.

Prince Edward Hotel

I have been offered some Border Cities Hotel Co., 7½ first mortgage bonds due September 1st, 1941 at $64.78 giving a yield about 12 per cent. Kindly advise me if you think this security is good and worth buying.

The last annual statement of the Prince Edward Hotel Company of Windsor showed that bond interest was earned by a small margin. However, the auditors for the company express the opinion that an insufficient sum had been set aside for depreciation.

Under these circumstances the bonds can hardly be regarded as first class. However, interest has been paid regularly to date and the company has retired over $115,000 of the $850,000 of bonds originally issued.

The hotel has shown its value since it was built in 1924. What you are buying is a bond that is certain to have a small market and that is showing earnings of little more than the bond interest. There is an element of speculation in such a purchase and what you have to decide is whether or not the high yield of over 12 per cent fully compensates for this position.

Burns and Co.

A customer of ours has requested us to advise him in regard to a purchase of $6,300 of preference shares in Burns and Company, Calgary. This block is offered for $4,000 cash. In your issue of the 25th of June you reported quite fully on Burns and Company and the information supplied was very useful, but what we would like to know now is what you think of parting with $4,000 for $6,300 of preference shares.

The position we take in answering enquiries is that we will supply information bearing upon the position of a security but we will not make a definite recommendation for a purchase or sale. To do so properly requires a much more intimate knowledge of the exact financial position of the enquiring investor than can be supplied to us by letter.

As this is written a special statement of Burns and Company is about to be released. We understand that the six months report will not show a very satisfactory condition as regards earning power, but that changes in the directorate bringing the company once more directly under the management of Senator P. Burns who was responsible for building it up to its present position will be announced. Over a term of years Burns Company has done exceedingly well and while it faces difficult conditions in its territory at the present time it has the experience and the financial resources to see its way through the depression.

Investors Registry

I enclose letter received from the Investors Registry and not knowing any of the officers would be obliged for your opinion on the matter.

Our investigations do not lead us to recommend that you should subscribe to shares of Investors Registry Limited. This company was prominent in attempting to sell stock to holders of Canadian National Electric Railway bonds when that company defaulted its interest.

We have no reason to judge from the previous record of the sponsors of Investors Registry that they would be able to contribute anything of importance to the untangling of the Stimson enterprises.

Brazilian and Others

A customer of this office who owns $5,000 Dominion of Canada bonds, $5,000 town bonds, $5,000 trust debenture has $4,000 which he wishes to put into first class common stocks. He has sufficient income to keep his family comfortably and the common stocks are to be bought with the idea of holding four or five years. I had suggested Brazilian Traction, Loblaw A, British American Oil, Montreal Power and Noranda. Would you kindly give your criticism of this list and suggest any other that in your opinion would be better?

Brazil is not out of the woods yet financially. Rather drastic measures must be taken by the Government before exchange and financial conditions can be restored to a position of stability. The country has enormous natural resources and it is in the midst of a period of long scale development that gives promise to security holders. We do not attempt to make definite recommendations regarding foreign securities but we observe that American services are not now advising liquidation of Brazilian securities at present prices.

The securities that you suggest are among the best common stocks listed on the Canadian exchanges and offer considerable attraction for long term holdings.

All of these securities except Brazilian have been included in the list of "stock market leaders of tomorrow" concerning which a series of articles is now being published in The Financial Post. Brazilian has not yet been covered but will probably be included should there be a more definite aspect to the financial situation in Brazil before our series concludes.

Brazilian Traction is making excellent gains in an operating way, but the shareholders are not sharing the full benefit of these gains because of the decline in the milreis, the currency of Brazil. Brazil must go through a period of reorganiaztion of its internal finances before its exchange values can be fully restored. The outlook is far from definite yet.

Loblaw's is one of the best managed chain store systems on the continent. It has just concluded one of the best years in its history. The American subsidiaries are beginning to get on a profitable basis and the company's position in Canada has been well maintained.

British American Oil has shown up very well throughout the period of depression. It is a major factor in the gasoline refining and distributing business in Canada.

Montreal Power continues to show steady progress and it offers to investors the additional prospect of profits through its large holdings of American utility stocks bought at low levels.

Noranda has suffered from the decline in metal prices but its losses in this direction have been largely offset by the increased gold content of the ore it is now listing. As no official information on values of ore listed this year has been supplied one must rely upon unofficial reports and these are quite promisory. But we would like Noranda better if the company did not guard news of its developments so closely.

Dominion Woollens

I purchased some bonds of Dominion Woollens and Worsteds a few years ago. How is the company getting on; have earnings improved this year?

Dominion Woollens and Worsteds has been able to make little progress, from an earnings viewpoint, during the current year. Declines in raw wool have necessitated further cuts in inventory values, a factor which cut profits sharply last year, and indications are that the company may again fail to earn its interest charges in the year ended June 30, 1931. Net earnings in the previous year were $65,817, as compared with bond interest of $135,000, while provision for depreciation and other charges resulted in a deficit of $294,890. This showing, however, was largely due to the decision to write down inventories; given an improvement in the raw wool market, Dominion Woollens may be expected to make a better showing.

The company has benefitted by tariff revisions effected last year, and has been able to re-open properties which had been idle for one or two years. Further, new operating policies have been adopted, while there has been some reorganization in personnel; an improvement in earnings, however, appears to be largely dependent upon a betterment in commodity prices.

British Woollen Firms Have Eyes on Canada

The London correspondent of the Yorkshire Post, commenting on the opening of a new worsted mill built at Kingston, Ontario, for Hield Bros., the Yorkshire firm, states that within the past two years three other West Riding concerns have begun manufacturing in the Dominion and negotiations are now taking place between Canadian authorities and more Yorkshire undertakings.

The migrating firms themselves, continues the writer, gain an advantage by escaping the tariff to which they would be liable if they exported goods for the Canadian market from England, and by thus placing themselves in a strong position to meet competition from United States manufacturers, who must pay a duty. Another point is that by opening a mill across the Atlantic a British concern is almost certainly assured of better distribution facilities than would be available, except at somewhat heavy cost, if it manufactured only in Britain.

Canadians welcome, states the correspondent, old-established industries and recognize the traditional skill and craftsmanship of the West Riding trade. The main Canadian market is for medium-class goods, but there is a steady demand for finer qualities, in the production of which British manufacturers are supreme. Moreover, latest available figures show that out of more than ten million yards of worsteds, serges and coatings imported by Canada in 1929, about eight and a half million yards were from the United Kingdom. Firms in Great Britain able to supply the Canadian's requirements are accordingly believed to have a very hopeful prospect of doing good business from a branch mill in Canada and during the next few years, while those manufacturers who have already set up factories in the Dominion are consolidating their postion, their progress will be watched with much interest in the textile industry of Britain.

July Building Permits Gain

Building permits issued in Canada during July showed an increase of $2,408,767, or 28.4 per cent as compared with the month of June, but a decrease of $4,945,276, or 31.3 per cent as compared with July, 1930. The aggregate for the 61 cities in July was $10,879,505, while the total for the year was $68,351,779.

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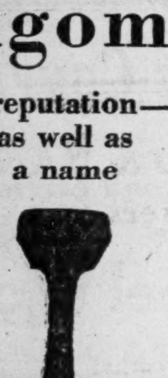
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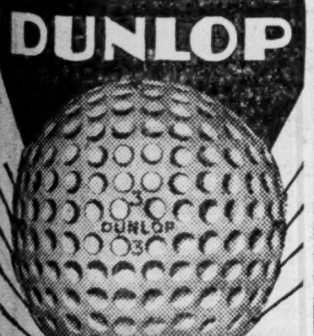

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British Open Amateur Championship.
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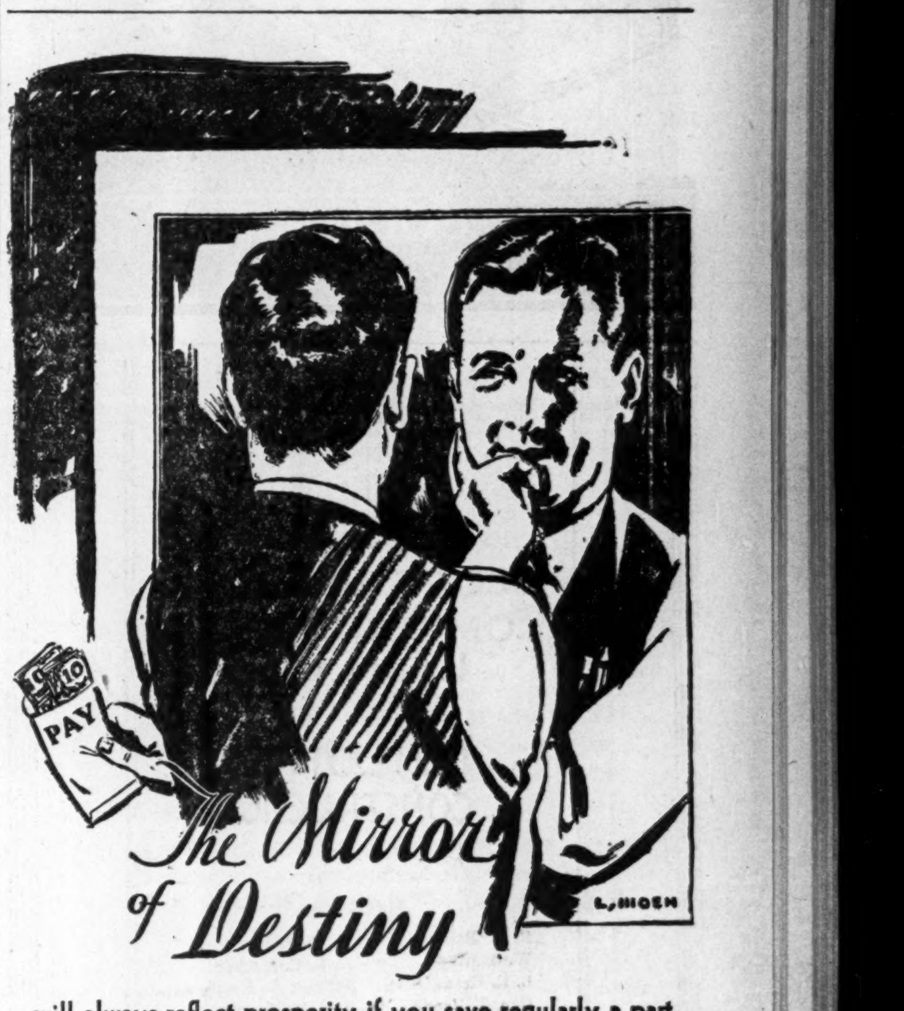

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Canadian Pulp and Paper Industry

Further Gains Recorded By Bleached Sulphite

Only Bright Spot in Figures Covering Exports of Pulp and Paper from Canada in July

From Our Own Correspondent

MONTREAL.—With the exception of an increase in exports of bleached sulphite, there is little encouragement to be obtained from figures issued by the Canadian Pulp and Paper Association covering exports of the industry in July. Total exports were valued at $10,938,148, a decrease of $1,697,242 from the previous month and a decline of $3,970,138 from July of last year.

The bleached sulphite situation, however, showed an improvement. Exports in July were 24,004 tons, valued at $1,506,419. This compares with 21,013 tons in June this year and 18,470 tons in July, 1930, having a valuation of $1,318,097. Unfortunately this was the only gain to be recorded, all other divisions showing a decline as compared with July of last year.

Newsprint Was Lower

Exports of newsprint, the most important factor, amounted to 157,205 tons, valued at $8,223,891. This compares with 199,060 tons valued at $11,579,862 in July last year, a decrease of 41,855 tons and $3,355,971, respectively.

Wrapping paper exports in July were off some 400 tons at 540 tons and values declined from $96,791 in July, 1930, to $50,775 in July this year. The drop in book paper exports was less marked, amounting to 2,988 cwt, against 3,265 cwt. in July last year, with values lower by about 6,000 at 23,541.

Pulp Exports Decline

Wood pulp exports to the end of were valued at $2,475,628, against $2,988,267 last year. Groundwood pulp exports totalled 9,827 tons, valued at $274,622, while in the same month in 1930 they were 13,898 tons valued at $354,311.

While bleached sulphite exports were higher, unbleached sulphite dropped 7,000 tons to 10,022 tons and values declined from $852,073 to $436,935. Screenings exports were 921 tons, down from 2,281 tons last year and values were lower by $26,000 at $15,358.

Seven Months Figures

The steady decline in exports throughout the year is reflected in figures covering the first seven months to July 31, 1931. In that time, exports of pulp and paper were valued at $84,361,977, while in the corresponding months of 1930, the value was $106,416,853, so that there has been a decrease this year of $22,054,876. Newsprint accounts for over $14,000,000 of this drop.

Wood-pulp exports to the end of July this year amounted to 373,070 tons, having a value of $17,511,062. This compares with 456,553 tons valued at $24,311,977 in the same period last year. Though there has been a recent gain in bleached sulphite exports, it has not found reflection in the seven months figures; exports of sulphate constitute the only increase in volume recorded in the period, though values were substantially lower.

Pulpwood exports for the first seven months of the year were 513,242 cords valued at $4,887,786. This compared with 794,821 cords valued at $7,958,087 in the same period in 1930.

Newsprint Tonnage Off

Newsprint exports in the period were 1,182,879 tons compared with 1,366,664 tons in the first seven months of 1930. Wrapping paper was lower by over 2,000 tons at 6,108 tons and book paper exports showed a decline of nearly 9,000 cwt. at 15,926 cwt.

Exports of sulphate in the period were 57,585 tons as compared with 56,444 tons in the first seven months of last year, but values were over $1,000,000 lower. There was exported 143,719 tons of bleached sulphite, a decline of 11,000 tons, while groundwood pulp exports dropped from 105,382 tons to 81,381 tons.

Comparison of Values

Following is a comparison of values of pulp and paper exports in the first seven months of 1931 as compared with last year:

	7 Months 1931 $	1930 $
Pulp:		
Mechanical	2,362,041	3,055,506
Sulphite bld.	9,252,235	11,412,960
Sulphite unbld.	3,399,263	6,119,978
Sulphate	2,215,646	3,281,991
All other	281,877	441,542
	17,511,062	24,311,977
Paper:		
Newsprint	64,558,113	78,887,825
Wrapping	565,566	884,116
Book (cwts.)	134,280	228,004
Writing (cwts.)	12,003	17,080
All other	1,580,953	2,087,851
	66,850,915	82,104,876

GYPSUM PRODUCTION WAS LOWER IN 1930

Entire Exports of Crude Were to the United States

Production of crude and calcined gypsum in Canada during 1930 amounted to 1,070,968 tons having a value of $2,818,788, which was 15½ per cent below previous year. Of this, 726,663 tons valued at $990,659 were exported, mainly to the United States, the entire tonnage of crude gypsum shipped valued at $871,567, going to that country. Of the balance of exports, represented by plaster of Paris and ground and prepared wall-plaster, exports were chiefly to New Zealand and the U. S.

Total shipments, by provinces, during 1930, were as follows:

Gypsum Shipments, By Provinces, 1930

	Tons	Value
Nova Scotia	827,063	$982,287
New Brunswick	82,674	513,677
Ontario	94,946	776,069
Manitoba	34,157	298,297
British Columbia	32,128	248,458
Total	1,070,968	2,818,788

Beaudry Leman Elected to Ogilvie Flour Board

From Our Own Correspondent

MONTREAL.—Beaudry Leman, general manager of the Banque Canadienne Nationale and president of the Canadian Bankers' Association, has been elected to the board of directors of Ogilvie Flour Mills to fill the vacancy created by the death of Edson L. Pease.

BELGO MINORITY EXPECT CHANGE IN OFFER TERMS

Preferred Committee Say Consideration May be Given

From Our Own Correspondent

MONTREAL—Shareholders of Belgo-Canadian Paper preferred stock have been notified by their Special Committee that further consideration may be given to their claims for better treatment by the Securities Protective Committee of Canada Power and Paper Corp. The request that they withhold from depositing their certificates has been reiterated in a recent letter issued by the preferred shareholders Special Committee.

It will be remembered that the latter body engaged a firm of chartered accountants, to examine the records and data submitted by the Protective Committee on which the reorganization of Canada Power and Paper was based. The report of the accountants, in the opinion of the preferred shareholders committee, confirms its contention that Belgo preferred shareholders are entitled to more adequate compensation.

Discussed Situation

Following reception of this report a meeting of the Special Committee and the Securities Protective Committee was held with the result that "without prejudice to either side, it was the understanding that our claims for better treatment would receive further consideration" according to the letter recently sent out by the Special Committee.

When the reorganization plans of Canada Power and Paper Corp. were announced, Belgo preferred shareholders were offered three common shares of the new company, Consolidated Paper Corp., for each preferred share. Shareholders shortly afterwards appointed a body to investigate the award which they considered unfair.

Higher Estimate Made

This committee estimated that on the basis of awards as made under the Dunning plan that each of the Belgo preferred shares were entitled to $60 of the new first mortgage bonds and five shares of the new common stock. Thus while the Dunning plan would have awarded 150,000 shares of new common stock for the $5,000,000 of Belgo preferred, the special committee estimated that the stock was worth $3,000,000 of the new bonds and 250,000 shares of the new common stock.

Further pourparlers were held between the Securities Protective Committee and the Belgo preferred shareholders committee with the result that the former finally consented to allow the records on which the original award had been based to be examined by a firm of chartered accountants. The findings of the accountants are now under consideration by the Securities Protective Committee.

DAVID AND FRERE CONSERVES CASH BY DIVIDEND CUT

Class "A" Stock Placed on Annual Basis of $1 a Share

From Our Own Correspondent

MONTREAL.—With the declaration of a dividend of 25c a share on the class "A" stock of David and Frère Ltd., directors have placed the stock on an annual basis of $1 a share as compared with the previous rate of $2.25, paid continuously since September 15, 1928. The new quarterly dividend is payable September 15 to shareholders of record August 31, 1931.

The company, which is engaged in the manufacture of biscuits and candy, has maintained its volume of sales, but due to keen competition and lower prices, profits have been adversely affected. Consequently the management feels it is in the best interests of the company to conserve its cash until the situation becomes clarified.

Will Effect Saving

As there are 23,000 class "A" shares issued, the reduced dividend will mean a saving of $7,130 to the company for the quarter ended August 31 and an annual saving of $28,750. The shares are noncumulative but are participating with the "B" up to $3 a share.

Net profits of David and Frère in 1930, before income tax, were $107,259, a decrease of about $18,000 from the previous year. This was equal to $4.66 a share on the "A" stock and after payment of dividends there remained a surplus of $55,509 for the year. After payment of income tax, surplus carried forward was $160,212.

Liquid Position Strong

The balance sheet showed a satisfactory working capital position with current assets of $264,690 against current liabilities of $13,158, leaving a net working capital of $251,532. Assets included government and municipal bonds, valued at $79,579.

The company, for the most part, confines its output to lower-priced biscuits which are distributed in and around Montreal. Additional machinery has been installed from time to time which has enabled the company to increase production and lower its costs. Lower commodity values, however, have narrowed the margin of profit, necessitating the recent cut in dividends.

U. S. Railroad Equipment Operations Slump Badly

Reflecting the lowest levels of railway traffic and revenues since 1918, current demand for new equipment in the United States is of extremely unsatisfactory proportions, according to Standard Statistics Inc.

A steady decline in new requisitions has been recorded since the spring of 1930, with the result that plant operations have been reduced to exceptionally low rates; several companies, in fact, are now running at but 10 per cent to 15 per cent of capacity.

Consolidated Paper's Reorganization Plans Are Making Headway

Federal Charter Granted Covering New Company

TYPES OF DIRECTORS

No Announcement Made Regarding Position of Security—Holder Outside Fold

From Our Own Correspondent

MONTREAL.—With the formal granting of a Federal charter to Consolidated Paper Corp. another forward step has been taken in straightening out the tangled affairs of Canada Power and Paper Corp.

Preparations for calling together the various meetings of security holders are being made and with the expiration of the deposit date on August 31, plans of the Security Holders Protective Committee are nearing completion. At the moment it has not been disclosed whether the date for deposits will be extended; already it has been extended twice.

The incorporators of Consolidated Paper Corp. include L. J. Belnap, president of the company, together with representatives of the Dunning committee consisting of Hon. C. A. Dunning, chairman of the Securities Protective Committee; Norman J. Dawes; a member; Percy Thornhill, representing E. A. Macnutt of the Sun Life Assurance Co., and Guy M. Todd representing J. J. Rudolph of Iselin & Co.

Two Classes Directors

"Annual class directors," is the name given to six of the fifteen directors who represent the security holders while the remaining nine will be known as "committee class members" representing the Dunning committee. These two classes will exist until 1936. The annual class directors may be elected year by year but the latter will be elected for the five-year term. Thereafter committee control will end and the corporation will carry on by itself.

The annual class directors which have been recommended for approval at the first shareholders meeting include Harold Crabtree, W. H. Howard, K.C., Beaudry Leman, Charles E. Meill, and Arthur B. Purvis. Only five names have been made public as yet, the fifth—an executive of the Bank of Montreal—will be named later.

Nominees of the Dunning committee are L. J. Belnap, F. G. Daniels, Norman J. Dawes, Hon. C. A. Dunning, Col. H. D. Lockhart Gordon, Ross H. McMaster, E. A. Macnutt, J. J. Rudolph, Charles F. Sise. These persons will remain in office for the full five-year term.

Has Wide Powers

The new charter of Consolidated Paper Corp. grants it wide powers covering every phase of its operations. The company may engage in newsprint and lumbering activities and the manufacture of other wood products, it is given extensive privileges in connection with development of electrical energy and rights to carry on mining and transportation operations, including steamships and airplanes.

Consolidated Paper Corp. is the second largest newsprint producer in Canada based on the rated capacity of its mills. Prior to the reorganization Canada Power and Paper led all newsprint companies in Canada with a daily capacity of 2,587 tons of newsprint daily; under the new plan, however, Anglo-Canadian Pulp and Paper Mills once a subsidiary resumes its former status as an independent, reducing daily capacity of Consolidated Paper to 2.087 tons. Abitibi Power and Paper thus resumes its leadership with a daily capacity of 2,200 tons of newsprint.

Deposit of Securities

There are only a few minor points to be decided before the old securities of Canada Power and Paper Corp. finally pass out of existence. Up to August 26 securities deposited with the Securities Protective Committee showed the following totals: Bonds to the par value of $37,977,065 or 88.7 per cent; debentures, $30,289,950 or 85.4 per cent; preferred stock, $20,124,700 or 83.7 per cent; while deposits of common stock totalled 1,229,699 no par value shares or 87.1 per cent.

Whether the committee will decide on a further extension of time has not yet been decided; present figures indicate it has already secured more than sufficient support to meet the needs of the situation. The Belgo preferred shareholders demands may also be considered; apart from this the stage is set for the security holders' meetings and the completion of the deal.

Position of Minority

The position of bondholders who have not deposited their holdings before the time limit expires is one which has caused considerable enquiry. As far as can be ascertained one of the factors which a non-depositing bondholder must consider is the fact that some expense may be entailed should he wish to exchange his securities at a later date.

At the present time Consolidated Paper is able to deal direct with depositing security holders as a body; after the expiration date security holders will have to deal individually with the trustee which may incur additional expense. Further, in the case of bondholders it may be expected that the old trust deed under which their holdings were issued, will be cancelled with the consent of the majority, and the old bonds will accordingly become worthless.

Expand Canadian Cattle Trade

Further development of the export Canadian cattle trade was announced by Hon. Robert Weir, Minister of Agriculture, the other day, addressing the Saskatoon Board of Trade. He reported that he had just completed arrangements to ship 10,000 head of cattle to France within the next ten months. As far as is known, this is the first such shipment since 70 years.

Employment Returns Show Upward Trend

Employment at the beginning of August showed a further upward movement, according to returns tabulated by the Dominion Bureau of Statistics from 7,887 firms, whose payrolls aggregated 956,238 persons, as compared with 943,419 on July 1. The index number stood at 105.2, compared with 103.8 on July 1, and 118.8 at August 1, 1930, being the lowest for this month since 1925.

Construction reported a very large gain, chiefly due to important works undertaken for the relief of unemployment in Saskatchewan; the tendency was also favorable in mining, communications, transportation and services. On the other hand, logging continued seasonally quiet, and there were also losses in manufacturing and trade.

Reduced employment was reported from Quebec, Ontario, and the Maritime Provinces. Returns from the Prairie Provinces were more encouraging, while very little change was indicated in British Columbia.

FEDERATED CORP. SHOWS BIG LOSS ON OPERATIONS

Large Amount Written Off For Depreciation of Securities

Federated Capital Corp., for the fiscal year ended April 30, 1931, reports total income from interest and dividends of $182,580 as compared with $211,984 for the previous fiscal year. The net loss on sales of securities amounted to $809,019. General expenses and taxes accounted for $143,504, leaving a net loss from operations of $769,262, before providing for depreciation of securities. Provision for depreciation of securities held was charged to the surplus account and was entered at $1,807,956.

Total assets, as at April 31, 1931, amounted to $3,353,614, and consisted of investments at cost or market, whichever was the lower, $3,299,885, (market value $3,300,804), cash in banks $34,907, and accounts receivable $18,822. Liabilities were, secured bank loans payable $260,000, and accounts payable $100,083. Capital stock outstanding consisted of preferred stock $25 par value, $3,058,000, and 215,621 no par value common shares together with fractional scrip, $218,399. Deficit in surplus account amounted to $282,868. Liquidating value of the preferred shares as at this date was $22.16. This has shown some improvement since April 30.

Par Value of Common Reduced

Dividends on the preferred stock were paid regularly in quarterly installments at the rate of 6 per cent per annum, to and including August 31, 1930, since which time payments have been deferred. No dividends have been paid on the common since August 31, 1930, when the regular quarterly payment of 20 cents per share and 1 per cent in stock was paid.

In March of this year, shareholders approved of a reduction in the par value of the common stock from $5 to no par value and an increase in the common authorization from 400,000 to 500,000 shares.

As at May 1, 1930, the company owned securities in 270 companies and banks, which number was reduced by the sale of securities in 31 concerns during the period under review. As at April 30, 1931, the company held 245 securities, and stated in percentages of total market value exclusive of cash in banks were classified as follows: rails 3.02, public utilities 18.78, industrial and general 22.02, food 3.28, chain stores 7.82, oils 3.49, tobacco 0.73, metals and mining 2.46, insurance 11.01, mortgage and guarantee companies 1.32, banks and trust companies 26.07.

More recently it was announced that the management of the company had been taken over by the Atlas Utilties Corp., an organization which manages several investment trusts. In retrn for management services, it is reported that Atlas Utilities will receive an annual fee of not more than one half of one per cent of Federated Capital's gross assets.

Following are comparative earnings figures for the past two years ended April 30.

	1931 $	1930 $
Dividends	181,165	190,224
Interest	1,416	21,761
Profit on sales	*809,019	494,161
Total revenue	*625,758	706,146
Less: Gen. exp. & taxes	143,504	162,757
Net income	*769,262	543,389
Less: Pref. divds.	91,744	180,251
Com. divds.	84,931	145,943
Stock divds.	21,232	35,013
Surplus for year	*967,169	182,182
Add prev. surp.	1,032,203	850,020
Less: Prov. depr. sec.	3,156,828	1,348,872
Prior yrs. inc. tax	62,000	
Paid-in cap. surp.	2,870,926	1,983,933
Balance	*282,868	1,667,263

* Loss.

National Breweries Sales Reported Satisfactory

From Our Own Correspondent

MONTREAL. — Sales of National Breweries, having regard to general conditions, are stated to be satisfactory and the regular dividend of 40 cents a share has been declared for the quarter, September 30, payable on October 1.

Earnings last year were the highest in the company's history, being equal to $2.40 a share on the common stock, against dividend requirements of $1.60. Net profits were about $54,000 higher at $1,930,310.

FOOD SALES HOLD ALTHOUGH VALUES DISPLAY DECLINE

Manufacturers Report Larger Tonnage of Goods

The food industry in Canada is holding its head up well. Figures compiled by Canadian Grocer from contact with 14 large manufacturers show that the public on the whole is spending a substantial amount to appease its appetite. Whether the results as shown by this survey represent a true cross-section of the situation as a whole cannot be definitely stated but certainly it does not look as if food manufacturers and food retailers are having such a difficult time getting through the year.

With practically all prices lower than they were a year ago, it is not surprising that manufacturers in the first seven months of this year experienced on the whole lower dollar sales. This particular survey shows that 36 per cent of the 14 firms—one of which is a store fixture manufacturer—are up in dollar sales or practically the same as the corresponding period of 1930; another 36 per cent reported dollar sales down, and 28 per cent did not make any comparison. Assuming that the latter have had reduced dollar sales, this makes 64 per cent down altogether — not a serious situation considering reduced prices.

Tonnage is Higher

But when it comes to tonnage sales there is a different story. One of the 14 firms did not provide any figures and two others said tonnage sales were lower. Assuming that 3 of the firms had lower tonnage sales, this represents only 21 per cent as against 79 per cent with higher sales in the actual quantity of goods disposed of than for the first seven months of last year.

One firm did not report definitely whether it had made any cuts in working hours of employees or not but 13 out of 14 definitely stated none had been made. This represents practically 100 per cent. As far as salaries and wages are concerned, only one firm announced a reduction. The other 13 have maintained salaries and wages and in fact in one or two instances have made some increases. A few said that for unskilled labor around their plants they were not paying quite as much as they did a year ago.

The survey also shows that 8 of the 14 concerns made either extensions to their plants or to their staffs during the early part of this year. This represents almost 60 per cent of the total. Six firms stated they had made no additions.

The first six months of the year appeared to be particularly good but the hot weather in July and August tended to reduce sales of many firms whose goods are not inclined to get just as much attention when the weather is extremely warm.

Several firms mentioned that Western conditions have not been conducive to increased sales either in dollars and cents or in tonnage on account of the low price of wheat and the poor prospects for this year's crop in one or two of the Western provinces.

The following table gives a detailed comparison in percentages between the first seven months of 1931 and 1930:

	Per Cent
Dollar Sales Comparison	
Below 1930	36
Equal to or better	36
No figures	28
Tonnage Sales Comparison	
Below 1930	14
Equal to or better	79
No figures	7
Working Hours	
Maintained	93
No information given	7
Salaries and Wages	
No reductions made	93
Reductions	7
Extensions	
Plant or staff additions	57
No additions	43

PROFITS OF BRUCK REFLECT EFFECTS RAW SILK PRICES

Position is Improved by Diversified Output

From Our Own Correspondent

MONTREAL. — Earnings of Bruck Silk Mills are not expected to show a material improvement over those of the last fiscal year which closed October 31, 1930, as a result of the fluctuations in the price of raw silk. Silk values have shown some sharp declines during the year and it is understood that the company's profits will reflect this situation.

Operations at the Cowansville plant have shown some improvement this year and benefits of new equipment installed last year have been felt. Competition in the industry is very keen, however, and the margin of profit on many lines is narrow.

Diversified Production

Earnings in the last fiscal year reflected the difficulties which confronted Bruck Silk. In addition to the drop in raw silk values, which had an adverse effect on the company's inventory position, production was temporarily hampered by the decision of the management to install new machinery. This enables the company to manufacture artificial silk as well as the real product.

Thus operating income of $62,743 showed a drop of around 80 per cent from the previous year and after payment of all charges there remained a deficit of $109,045. Before payment of dividends totalling $75,000 the deficit was $34,045; disbursements on the common stock were suspended in May, 1930, so will not figure in the forthcoming financial statement.

Broadening of the company's scope through its present ability to manufacture artificial as well as real silk has strengthened its position as it is now able to change its output to conform to the prevailing demand. Real silk is in favor at the present, and any marked betterment depends on an improvement in the silk market.

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Groundwood Pulp News Sulphite Pulp
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60 YEARS' GROWTH

V. R. Smith, Confederation Life, Tells of Association's Progress at Diamond Jubilee Meeting

"The sound principles of life insurance continue unchanged in the midst of a changing material world." This may be taken as the key-note of the address on "Life Insurance of Today," delivered by V. R. Smith, A.A.S., A.I.A., F.A.I.A., assistant general manager and actuary of the confederation Life Association, at one of the meetings of the association's diamond jubilee convention held in Toronto last week.

Tracing the history of the association from its inception in 1871, Mr. Smith drew a vivid picture of conditions obtaining throughout the world in those days and recounted many of the milestones marking the march of progress in the sixty years that have passed since then.

"Sixty years has seen several wars, one the greatest and most destructive of human life and happiness ever fought on this planet; the fall of great empires; the downfall of, apparently, unshakable military despotisms; the rise of nations long suppressed; the awakening of Japan and China in the Far East; the awakening of Islam in the Near East, with the consequent obliteration of the caliphate in Islam; the emancipation of Jerusalem; the political autonomy of numerous nations — Ireland, South Africa, Central and South America, Cuba, where sixty years ago a bitter and cruel war of independence was in progress, which did not reach a successful conclusion till the beginning of this century; and, perhaps most important of all, in conjunction with so profound a political progress, a scientific advance throughout the world unparalleled in any previous age."

Then—And Now

The recital covered the transition from horse to automobiles, from stage-coach to present-day trains, from the paddle-steamer of a few thousand tons to the luxurious oil-propelled liners. "Consider the armies that fought in the Franco-Prussian war of 1870—just a year before the association began business—and the fighting machines of today with their poison-gas, marvellous artillery, tanks and aeroplanes, all a development of the last sixty years."

The 300 odd delegates to the convention were asked to visualize the first president, J. K. Macdonald's visit to western Canada to open the association's first branch in Winnipeg, then known as the Red River Settlement, travelling by river boat and ox-cart. The trans-Canada railway was not completed until fifteen years later. In those days Toronto was a small town of 59,000 people. Regina was either deserted swamp or desolate prairie land; Calgary, Edmonton, Saskatoon did not exist, in fact, there was no Saskatchewan and no Alberta. Vancouver was dense forest. Winnipeg was merely a collection of huts, an insignificant village of 240 people.

The first policy written by the association, issued on November 1, 1871, on the life of J. K. Macdonald, was described by Mr. Smith. "Note its lack of benefits now deemed so essential. Consider its terms. Note, also, the restrictions on travel and occupation. A journey to Los Angeles required the previous consent of the association and the payment of an extra premium, otherwise the policy was void; similarly, if the insured engaged in any occupation involving irregular travel.

Benefits Now Many

"Today the modern insurance contract provides many benefits and no restrictions, a variety of non-forfeiture benefits, extended term insurance, automatic premium loans, cash surrender value, paid-up policies, loans upon demand, and, in ordinary cases, freedom as to residence, travel and occupation, all set out clearly and concisely in the policy contract. And then, when the policy matures at death or by the flux of time, the policyholder or beneficiary is given the choice of several options whereby the incomparable investment resources of the company are placed at his disposal free of charge."

In 1871 there was a very limited choice of plans of insurance. The association's premium manual was a small single sheet of paper, and no provision was made except for insurance payable at death only or at the end of a specified number of years or prior death. Practically the only type of insurance sold was the All-Life policy. "Today the insurance salesman is able to offer his client a service to cover every need, every contingency." The salesman must study the needs of his client, must determine correctly the class to which he belongs. Upon the correctness of his diagnosis the salesman's income depends to an important degree.

Value of Co-operation

Pointing out that life insurance is essentially co-operative, a movement of long standing, well tested, wherein each one obtains, through the help of his fellows, his just rewards in proportion to his own contributions, Mr. Smith paid warm tribute to the various co-operative organizations, the Canadian Life Insurance Officers' Association, the Life Underwriters' Association, and the Canadian Life Agency Officers' Association. Great credit for the high standing of life insurance was due, he said, to the educational and research work of these institutions. As field men studied, wrote examinations, analyzed and applied the basic principles of life insurance it was to be expected that problems would be raised that could not be answered immediately by any one company out of its own experience. The research was a necessity, and as soon as the need was recognized, a capable and efficient organization had been established. "If we could have with us the life insurance men of forty years hence—be his day what it may—I have no doubt," concluded Mr. Smith, "we should feel very humble about our present status; but this much is true, if we have not yet learned to run, as will our successors of the future, we can say we have left the creeping stage, are able to walk erect, to look the world in the face, and to speak of our sales methods and our business practices with pride in their modern achievements and with confident hope for the future."

Forecasts Growth For Group Annuity

The adoption of group annuity plans by leading employers throughout Canada in the near future was forecast by B. T. Holmes, assistant actuary of the Confederation Life Association, in an address to group representatives given during the association's recent diamond jubilee convention in Toronto.

"The progressive executive today," he said in part, realizes the inhumanity of turning old employees adrift, and the extravagance of keeping worn-out hands and brains in his organization. Shrewd and forward-looking managers in increasing numbers have recognized the wisdom of asking their men to co-operate in buying group annuities as the best, most humane, and least expensive method of avoiding these alternatives.

PRIVY COUNCIL RULING AWAITED ON INSURANCE LAW

R. Leighton Foster, Ontario Superintendent of insurance, has returned to Canada from London, England, where he was present at the hearing before the judicial committee of the Privy Council, of the Provincial vs. Dominion case. The issue at stake is whether official insurance supervision and jurisdiction in Canada shall come under the Dominion or the provincial governments, or a combination of both as heretofore. The provincial departments claim that the Dominion exceeded its powers in enacting certain legislation respecting insurance and the licensing of insurance companies.

Quebec launched a test case some three years ago, and the Supreme Court of Canada handed down an inconclusive decision, following which the province decided to carry the case to the Privy Council. At this stage Ontario and British Columbia entered the cause in support of Quebec. The case was argued in the third week of July, and judgment was reserved.

While in London Mr. Foster also listened to the Sun Life case, by which that company was granted the right to increase its capital, the full text of which judgment appeared in a recent issue of The Financial Post. He also had interviews with Neville Dixey, chairman of Lloyd's, and several other officers of that institution, and reports that the 15 per cent premium tax on unlicensed insurance threatened by the Federal Government is causing no little consternation in English insurance circles.

INSURANCE OFFICER WINS HIGH HONOR

John Edwards, Ontario Insurance Dept., Gets His A. C. A. S.

An illustration of the high calibre of departmental insurance officials is afforded by John Edwards of the Ontario Department of Insurance who, upon completion of the requisite examination has recently been elected an Associate of the Casualty Actuarial Society of New York. This high honor has only previously been achieved by one other Canadian in the person of C. H. Frederickson, actuary of the Canadian Underwriters' Association who attained a Fellowship of the Society in 1926.

FAVORS LOW RATES HUDSON BAY ROUTE

The London Times Says Underwriters Will Co-operate

Enquiries have recently been made in the London market as to the rates of insurance which would be quoted by underwriters specially to cover the voyage to and from Hudson Bay, which is outside the ordinary limits of trading by cargo vessels.

Commenting upon this situation, The London Times says:

"Marine underwriters have naturally been much interested in the statement that two British steamers have been chartered to load grain at the new port of Churchill, Hudson Bay, in the first half of next month. The rate of freight is 3s. 9d. per quarter, subject to the payment by the charterers of loading and all other expenses at the port of shipment.

"It is understood that the ships which have been chartered belong to an ownership of high standing, and that for this reason, especially, underwriters would wish to quote the most favorable terms, apart from their desire to assist in the promotion of the new route from Hudson Bay, which it is understood the Dominion Government wishes to see developed. So as far as could be ascertained in the London market yesterday, the insurance arrangements had then not been considered."

Insurance Inklings

HOWARD W. CLEGG has been appointed general agent at Vancouver for the Aetna Life Insurance Co., in succession to Gordon H. Bell, resigned. Mr. Clegg was formerly with Nesbitt, Thomson & Co., later establishing his own general investment organization in British Columbia.

COLIN F. GILLIES, formerly manager of the Northern Alberta division of the Western Empire Life Assurance Co., has been transferred to Regina, to take over the managerial responsibility of South Eastern Saskatchewan.

C. L. OLSEN, formerly manager of the Saskatoon branch of the Western Empire Life Assurance Company, has been transferred to take over the Northern Alberta Division, with headquarters in Edmonton.

FIRE MUTUALS PROVIDE SERVICE IN RURAL AREA

Operations in Ontario and Manitoba Surveyed

Operations and activities of mutual or co-operative insurance associations in Ontario and Manitoba are the subject of a survey appearing in the current issue of the Economic Annanist, published by the Department of Agriculture, Ottawa. A review dealing with similar organizations in Quebec was covered in the July 25 issue of The Financial Post.

In Ontario, there are four main classes of insurance companies transacting fire business, these being joint-stock companies, mutuals, cash-mutuals, and reciprocal exchanges. Under the heading of mutuals are included farmers' mutuals and associated New England factory mutuals. Cash-mutuals are divided into those with and those without share capital.

Farmers' mutuals transact business on the premium-note plan, and in regard to this type of concern the survey points out that those corporations transacting business in one or several counties have made more progress in the rural districts of Ontario than other companies.

Premium-Note Plan

Under the premium-note plan, since the prohibition in 1925 of the practice of collecting from each policy holder at the end of the year his pro-rata share of losses and expenses, the insurer may accept the premium note of the insured and may undertake contracts in consideration thereof. The notes are subject to cash payments in accordance with the following provisions. The rate to be charged or taken by way of premium-note for insuring agricultural property other than brick, stone or concrete dwelling may not be less than $3 for three years for every hundred dollars of insurance. On other property the minimum is subject to adjustment with regard to the nature of the risk, and in respect of such property a cash payment on the premium-note of not less than 80 cents per hundred dollars is required with application. This may be reduced with the approval of the Superintendent of Insurance so long as the cash surplus of the insurer is not less than 25 cents for every hundred dollars of insurance. In the case of brick, stone, or concrete dwellings the cash payment upon application varies, but must not exceed 60 per cent of the premium-note. The cash payment may, however, be made in three equal annual installments of not less than 30 cents per hundred on agricultural property other than of brick, stone or concrete, and pro-rata on other property.

A comparative summary of the amount at risk, premium-notes, etc., in Ontario for the year ending December 31, 1929, respecting business transacted by insurers on the premium-note plan, taken from the annual report of the Superintendent of Insurance, was as follows:

Number of companies	78
Gross amount at risk on mutual plan	$730,426,631
Premium notes net unassessed	16,923,646
Surplus of general assets over liabilities	24,016,106
New business taken during 1929	253,084,070
Premium notes taken during 1929	8,012,417

Above figures, which include weather insurance companies, show that the mutual fire insurance corporations transacting business on the premium-note plan have a large amount of business, particularly in rural districts of Ontario.

The extent and nature of mutual insurance business conducted under provincial charter in Manitoba is indicated by figures for three organizations in operation, as given by the Economic Annalist:

Manitoba Companies

The Urban Mutual Fire Insurance Company of Portage la Prairie had business in force during 1930 on the Premium Note system amounting to $3,106,840 and on the Cash Premium system of $697,221. Disbursements amounted to $12,522 and the cost per $1,000 of insurance $3.29.

The Retail Lumbermen's Mutual Fire Insurance Co. had insurance of $7,058,688 in 1930 with disbursements of $34,915 and cost per $1,000 of insurance amounting to $4.95.

The Fredensthal Mutual Insurance Co., carried risks to the amount of $198,248 in 1930 and had disbursements of only $131 and costs of $0.06 per $1,000 of insurance. This association is local in nature and has practically no expense of management.

Referring to methods of operation the Superintendent of Insurance is quoted, as follows:

"The Urban Mutual do most of their business on a premium-note plan, subject to assessment for losses, overhead and reserve, on November 1 of each year. They also do a certain amount of cash premium business but these insurers are not members of the company and the company's liability to cash premium policyholders is a first charge against the assets of the company. The Retail Lumbermen's do not take premium notes but their contract contains an undertaking to pay an estimated premium if and when assessed. In order to insure prompt payment of assessments each member puts up a guarantee premium deposit equal to the estimated premium, therefore this company is 100 per cent mutual as it can have no bad debts from its policyholders."

In addition to the mutual companies with provincial license, a number of other mutual companies of Dominion or foreign charter do an extensive business.

New Montreal Manager

F. E. HATTON,
who has been appointed manager of the new Montreal office of the North American Life Assurance Co., which is being opened in the University Tower Building. Mr. Hatton is a native of Montreal and has had wide experience in life insurance sales executive work.

NORTH AMERICAN ANNOUNCES PLANS

Lease Five Floors Ogilvie Bldg.; Work on New Structure Begins Oct. 1

North American Life Assurance Co. announce that arrangements have been completed for the temporary accommodation it will require during the period of construction of its new head-office building, recently announced. The five top floors of the Ogilvie Building, at Bay and Wellington Streets, Toronto, have been leased, and the company will take possession on or about October 1.

This means that the work of tearing down the company's present head-office building at 112 King Street West, will be commenced early in October to make way for the new structure which will be raised on the same site. These plans have been hastened forward with the purpose of relieving the unemployment situation in Toronto and it is expected that several hundred men will benefit thereby during the coming fall and winter.

Mill Owners' Mutual Fire Hold Fieldmen's Conference

The Mill Owners Mutual Fire Insurance Co. of Iowa, with Canadian head office in Hamilton, Ontario, under the management of I. E. Sams, conducted a three day conference of fieldman and inspectors August 17-19, at which the Fieldmen's Association of the company was organized.

Representatives present included, W. T. Coote, of Edmonton, Alta.; Thos. P. Sheffield, of Winnipeg, Man.; J. George Boutin, of Montreal, Quebec; D. J. McDermaid, Halifax, N.S., as well as other representatives working out of the Canadian head office.

Licenses Issued

The Province of Quebec has issued the following licenses:

Dominion of Canada General Insurance Co. is authorized to transact insurance against loss of or damage to buildings by hail and by tornado, when issued in combination with fire insurance, in addition to classes already licensed.

The Legal and General Assurance Society, Ltd., has had its certificate of registration extended to include burglary, inland transportation, plate-glass, sickness and accident insurance, (excluding employees' accident), insurance of property other than crops against damage or loss by hail or otherwise.

Employers' Reinsurance Corporation's certificate of registration has been extended to include burglary insurance.

Sun Insurance Office, Ltd.'s certificate of registration has been extended to include inland transportation insurance and insurance against loss of or damage to personal property.

The Province of Ontario has issued the following license:

Pacific American Fire Insurance Co. is licensed to transact fire and explosion insurance in the province of Ontario for the term ending June 30, 1932.

Rossia Co. Retires

Withdrawal from the Canadian field of The Rossia Re-Insurance Co. of Copenhagen is announced, effective as from August 1. All the company's business in the Dominion is being taken over by the Eagle Star & British Dominions group, which includes the British Crown, British Northwestern, and the Universal of New Jersey under the managership of J. H. Riddel, of Toronto, former chief agent of the Rossia Company.

LAKE OF THE WOODS PROFIT MAY BE LESS

Year Ended Aug. 31 Was Difficult One for Millers

From Our Own Correspondent

MONTREAL. — With its annual meeting scheduled for October 28, 1931, Lake of the Woods Milling Co. will close its transfer book ten days prior to the meeting instead of thirty days as in the past.

The financial statement, which will be submitted to shareholders at the meeting, is expected to reflect the difficult operating conditions which have confronted the milling industry during the past year. Lake of the Woods closed its fiscal year on August 31, and it is doubtful whether earnings will show any improvement over the previous period.

Earnings Were Lower

Net earnings in the year ended August 31, 1930, totalled $188,412; after depreciation, there was a net profit of $113,412. This compared with $831,941 in the previous year. Preferred dividend requirements of $105,000 were covered, but payment of common dividends, since suspended, amounting to $471,570 and other deductions resulted in a deficit for the year of $464,068. A balance of $536,450 was brought forward.

Whereas the preferred stock was formerly the first charge on earnings, an issue of $4,000,000 of bonds was made in April, 1931, which are held by the bank. These were issued to liquidate bank loans of $3,940,000 outstanding at the end of August, 1930; the balance sheet will reflect this adjustment.

"$150,000" Club Swells

London Life Insurance Co. announce the nineteen members have attained enrolment in the company's "24K" club. This group is composed exclusively of men who have written over $150,000 of new life insurance during the club year, and the membership now numbers approximately eighty-five.

Mutual Relief July Business Good

Mutual Relief Life Insurance Co., of Kingston, experienced one of the best months this year in July, new business issued and revived amounting to $354,310. Death claims paid during that month totalled $22,215, and insurance in force as at July 31, 1931, amounted to $22,005,359.

Farm Equipment Sales Off in B. C.

Spring business in agricultural machinery and equipment in British Columbia was bad, the turnover this year being about 40 per cent less than for the same period last year, and this having been largely made up of sales of parts, although manure spreaders are in good demand. The greatest current sale is in tillage machinery, the walking plow, harrows and cultivators forming a large part of this trade, small-gang plows being used even on the larger farms. Two-way plows are developing a demand in the irrigated districts of the interior, and need to be introduced on a larger scale. There is also a market for additional equipment for tractors now in use, such as wood saws, feed choppers and other belt-operated units.

Only one Canadian implement manufacturer maintains a branch house in British Columbia. There are no American branch houses, implements being distributed through independent dealers who finance themselves and act as brokers and retailers.

Winnipeg Plans Construction

A special committee of the Winnipeg city council has drawn up an extensive programme of public works for the fall and winter, running into millions of dollars, and including bridges, sewerage constructions and many smaller items.

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Current Events in the Banking World

AUSTRALIAN DEBT CONVERSION TERMS NOW INTERPRETED

Alternative Open to Firms Holding Trade Funds in Securities

Canadian manufacturers who are the holders of internal Australian Commonwealth and State securities, representing the proceeds of goods exported and invested owing to the difficulty in transfer, are affected by the Australian Debt Conversion Act which came into force on August 10.

According to a circular issued by the Department of Overseas Trade, in London, the alternatives open to such companies are interpreted as follows:

(a) Holder can accept conversion under the general conversion scheme. Full details of the Act as passed have not been received, but under the bill as introduced (in which only some minor changes have been made) this involved the acceptance of securities redeemable in from 7 to 30 years. The equivalent amount of new stock would, it is understood, be determined by actuarial valuation, where necessary, after taking into account the interest rate and date of maturity of each existing security and after allowing for a general reduction of 22½ per cent in the interest yield.

Special provisions were made for existing tax-free securities. Other converted securities were to be free from state income tax, and certain provisions were made for their exemption from any increase of existing Commonwealth tax.

(b) If the holder takes no action whatever, he will have been held to have agreed to the general conversion proposals as indicated in (a).

(c) Holder can apply to the Commonwealth Treasurer for special conversion under Section 16 of the Act. This section reads as follows:

"Where the holder of existing securities satisfies the treasurer that owing to exchange difficulties the securities were purchased by him with overseas trade money as a short term investment, new securities in exchange for the existing securities may be issued to him redeemable on such date or dates as the treasurer approves, but otherwise conforming with the provisions of the Act."

Further reference is made to this provision below.

(d) He can dissent both from the general and special conversion. The position of holders who dissent has not yet been settled.

The final date for notifying particulars and also the desire for special conversion under (c) is the 31st August. Under (a), (b) and (d) the final date for notification for overseas holders is the 21st September.

The question of the maturity dates of the short-term securities into which existing securities representing trade monies may be converted under (c), is, it is understood, entirely a matter for the Federal Treasury; the terms cannot be decided until full particulars of the securities it is desired to convert under Section 16 are available to the treasury. Conversion terms will otherwise conform to the general provisions of the Act, and interest will be subject to the general reduction of 22½ per cent.

Generally speaking, firms who have invested trade monies are understood to have placed them in securities having an early maturity. It is realized, says the circular, that some firms may have temporarily invested their trade monies in long-dated securities on the ground that these securities would be more easily negotiable and could be realized on the market quickly. Special conversion of such investments into the special new short-term securities is allowed under Section 16 if the firms furnish proof that the investments were only of a temporary character and were not investments of reserves, and arose from the exchange difficulties. If, however, firms invested monies derived from trade in long-dated securities for definite long-term investment they would not be covered by the special provisions of Section 16.

Firms desiring to convert their holdings of invested trade monies into the new special short-term securities must, therefore, notify the Commonwealth Treasurer, Canberra, of their wishes either by cabling direct or, where agencies exist in Australia, through such agents, not later than the 31st August.

Suggests Upper Floors For Branch Bank Offices

By C. PAYELL

Is ground-floor space essential to profitable banking business? Why has the experiment of an "upstairs" bank never been given a trial in Canada? These questions have a particular point in these days of reduced profits, lower interest rates, and general economy.

Banking institutions, of course, have always been among the most conservative in any business, and to a great degree the characteristic has enabled them to build up and maintain that very necessary asset, public confidence.

Yet banks cannot be said to have been devoid of progressive spirit. In the opening and maintenance of branches to cater to the requirements of rural districts throughout Canada, the money so spent has, to some extent, covered experimental work. In a good many cases, it has been considered more or less of a gamble whether or not it would be profitable to open branches in undeveloped districts, and occasionally such pioneering has proved costly to the banks.'

It would be interesting at this time if some of the experimental work were transferred to the urban centres and it is therefore suggested that, given a first-class location in a good shopping district, it is not essential to occupy ground-floor space to build a profitable business, and that a trial be given to the opening of an upstairs bank. The average borrower would not likely be terrorized by having to climb a flight of stairs or in having to take an elevator to the upper stories of the building and, provided the service is prompt, it is doubtful whether the average depositor would object to transact his or her banking business upstairs.

In some of the larger cities, the banks are making full use of their ground floors, but at many this has been the case only to the extent that it benefits service to customers. It has been found that, where ground floor premises are too small for requirements, congestion is relieved by removing much of the internal machinery to the upper story. For example, there is no real necessity to have discount registers or liability records on the ground floor and collections and exchange transactions can be handled as efficiently upstairs as downstairs. The banks have had to change their attitude in relation to the locations of their working machinery and it might prove profitable for them to conduct further experiments along the lines indicated.

Bank Chats

THE CANADIAN BANK OF COMMERCE makes the following announcements:

F. M. BEAUREGARD will be acting-manager for several months at the St. Henri Branch, Montreal.

A. R. GRAHAM has been appointed manager of the Blake and Logan branch at Winnipeg, Man.

JAMES ROWLAND, for fourteen years manager of the Standard Branch, Kingston, will retire on September 12. In his 43 years' banking service Mr. Rowland was manager of five branches.

BRYCE M. LOVE, accountant at Campbellton branch since 1927, is transferred to the Fredericton, N.B., branch with effect from September 1.

THE BANK OF MONTREAL announce the following changes:

W. D. MacMILLAN, for the past six years assistant-manager at Sarnia, has been appointed manager of this branch.

J. H. TURNER has been appointed assistant-manager at Sarnia, succeeding W. D. MacMillan.

Canadian Bank of Commerce announces the following staff changes:

W. COCKERAM, manager at Macleod, Alta., has been appointed an assistant inspector at superintendent's dept., Calgary.

J. BLACK, manager at Rockyford, Alta., has been appointed manager at Gleichen, Alta.

The Ituna, Sask., branch will be closed on Aug. 31.

L. CUTHBERT, manager at Gleichen, Alta., has been appointed manager at Macleod, Alta.

H. C. ROBERTS, manager at City Hall, Lethbridge, has been appointed manager at Raymond, Alta.

T. L. HALPIN, manager at Raymond, Alta., has been appointed manager at Rockyford, Alta.

J. K. MacKENZIE has been appointed acting manager.

Saskatchewan Private Bank in Voluntary Liquidation

One of the few remaining private banks in western Canada, the Prudential Exchange Co., Ltd., with branches at Lang, Sask.; Wilcox, Sask.; and Sovereign, Sask., has gone into voluntary liquidation and closed its doors on August 13.

A letter to shareholders under date of Aug. 12 states:

"This means that the company ceases to carry on business except for the purpose of winding up. Moneys on deposit with the company cannot be withdrawn until sufficient of the assets of the company have been realized to permit of all depositors being paid in full or payments being made on account of a pro rate basis."

Vancouver Grain Shipments Up

Grain shipments from Vancouver for the crop year ended July 31st amounted to 75,154,053 bushels, an increase of 25,480,745 bushels over the previous season, according to the Vancouver Merchants Exchange.

Bank's New Building Begun

Several high officials of the Bank of Montreal were present at the laying of the cornerstone on August 21 of the bank's new Ottawa head office building at the corner of Wellington and O'Connor Streets, the ceremony being performed by Sir Charles Gordon, the bank's president. The new building is estimated to cost around $800,000.

Monthly Bank Clearings

Eastern Cities

	August 1930	August 1931
Halifax	$ 13,665,639	$ 12,114,405
Saint John	10,015,749	9,146,078
Moncton	4,141,438	3,018,632
Sherbrooke	3,627,406	2,933,834
Quebec	27,373,257	23,110,183
Ottawa	27,540,327	23,873,664
Montreal	523,667,385	417,282,955
Kingston	3,501,104	2,872,298
Peterboro'	3,543,911	3,104,749
Toronto	444,549,734	356,214,976
Hamilton	23,642,848	17,671,907
Kitchener	4,518,740	3,513,236
Brantford	4,127,350	3,550,558
London	14,244,755	10,417,730
Chatham	2,589,536	1,725,025
Windsor	15,245,927	10,955,084
Sudbury	4,655,129	2,990,718

Western Cities

	August 1930	August 1931
Fort William	$ 3,440,939	$ 3,012,911
Winnipeg	197,289,638	172,981,886
Brandon	2,254,197	1,655,661
Regina	20,007,470	15,888,699
Moose Jaw	4,185,758	2,485,939
Saskatoon	10,267,826	7,106,178
Prince Albert	2,036,170	1,466,510
Edmonton	23,266,019	18,397,302
Calgary	29,848,594	20,447,701
Medicine Hat	1,253,495	939,669
Lethbridge	2,338,655	1,615,045
Vancouver	89,238,350	65,877,840
New Westminster	3,516,674	2,329,634
Victoria	9,912,467	7,332,275

Weekly Bank Clearings

Eastern Cities

	Aug. 28, 1930	Aug. 27, 1931
Saint John	$ 2,113,943	$ 1,960,956
Moncton	951,301	628,229
Quebec	5,531,261	4,954,746
Ottawa	5,473,827	4,815,451
Kingston	715,339	485,173
Peterboro'	795,285	119,771
Toronto	109,318,861	80,846,279
Hamilton	5,188,949	3,588,697
Kitchener	963,564	723,504
Brantford	928,370	764,604
London	2,847,759	2,155,773
Chatham	450,440	362,274
Windsor	3,056,386	2,766,170
Sarnia	576,931	545,028
Sudbury	1,154,631	654,146
Sherbrooke	864,487	595,093
Montreal	126,195,393	81,480,085

Western Cities

	Aug. 28, 1930	Aug. 27, 1931
Fort William	$ 740,449	$ 581,358
Winnipeg	47,281,027	35,772,330
Brandon	421,095	307,610
Regina	4,062,776	2,707,121
Moose Jaw	855,945	564,381
Saskatoon	2,036,268	1,438,293
Prince Albert	....	300,403
Edmonton	4,552,126	3,429,702
Calgary	7,063,226	4,283,173
Medicine Hat	266,572	211,414
Lethbridge	541,615	348,271
Vancouver	17,872,926	14,180,092
New Westminster	751,599	482,336
Victoria	2,004,881	1,512,048

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING AUGUST 31

Range 1931 High	Low	Divd. Rate	Yield in % $ Aug. 29	Stock	Sales	Close Aug. 24 (or last)	Week Ending Aug. 31 High	Low	Close
[illegible]				Abitibi, c.					
				Do. pref.					
				Agnew Surp. c.					
				Do. pref.					
				Alta. Pac. Gr.					
				Do. pref.					
				Amal. Electric					
				Do. pref.					
				Anglo N. Hold.					
				Asbestos					
				Do. pref.					
				Assoc. Brew.					
				Assoc. Can.					
				Assoc. Tele.					
				Atlas. Sugar					
				Do. pref.					
				Bk. Can. Nat.					
				Bk. Montreal					
				Bk. N. Scotia					
				Bk. of Toronto					
				Barcelona Tr.					
				Bathurst Pr.					
				Do. (B)					
				Bawif Grain					
				Do. pref.					
				Beath & Sons					
				Beatty Bros.					
				Beauharnois					
				Belding Cort.					
				Bell Telephone					
				Biltmore Hats					
				Do. pref.					
				Bissell, T. E.					
				Blue Ribbon					
				Do. pref.					
				Brazilian Tr.					
				Brew. & Distil.					
				Brit. Amer. Oil					
				B.C. Packers					
				Do. pref.					
				B.C. Power					
				Do. (B)					
				B.E. Steel					
				Do. 1st pref.					
				Do. 2nd pref.					
				Bruck S. Mills					
				Building Prod.					
				Burt, F. N.					
				Calgary Pr.					
				Can. Bread					
				Do. pref. (A)					
				Do. pref. (B)					
				Canada Bud					
				Can. Cement					
				Do. pref.					
				Canada Dry					
				Can. Forg. (A)					
				Do. (B)					
				Canada Iron					
				Do. pref.					
				Can. Malting					
				Can. Nor. Pr.					
				Do. pref.					
				Can. Paving					
				Do. pref.					
				Can. Perman.					
				Can. Pr. & Pa.					
				Can. Steamsh's					
				Do. pref.					
				Can. Vinegar					
				Can. W. Cable					
				Do. pref.					
				Can. Bakeries					
				Do. pref.					
				Can. Bk. Com.					
				Can. Bronze					
				Do. pref.					
				Can. Canners					
				Do. 1st pref.					
				Do. 2nd pref.					
				Can. Car & F'y					
				Do. pref.					
				Can. Celanese					
				Do. pref.					
				Can. Convert.					
				Can. Cottons					
				Do. pref.					
				Can. Dredge					
				Can. Fairb. pf.					
				Can. For. inv.					
				Can. Gen. Elec.					
				Do. pref.					
				Can. Hyd. E. p.					
				Can. Ind. Alc.					
				Do. (B)					
				Can. Int. I. Tr.					
				Do. pref.					
				Can. Lt. et Pr.					
				Can. Locomo.					
				Do. pref.					
				Can. Marconi					
				Can. Oil					
				Do. pref.					
				Can. Pacific					
				C. Pr. & Pa. In.					
				Can. Vickers					
				Do. pref.					
				Can. Wineries					
				Can. Wire Box					
				Carling Brew.					
				Catelli Mac. A.					
				Do. (B)					
				Cent. Can. L'n					
				Chem. Research					
				City Dairy					
				Do. pref.					
				Cities Service					
				Cockshutt Plow					
				Comm. Alcohol					
				Do. pref.					
				Cons. Bakeries					
				Cons. Food Br.					
				Do. (B)					
				Cons. Indust.					
				Cons. Press					
				Cons. Sand. pf.					
				Cons. Smelters					
				Consumers Gas					
				Cooksville Co.					
				Do. pref.					
				Corporate Steel					
				Corr. P. Box, p.					
				Cosgrave Br.					
				Cosmos Imp.					
				Do. pref.					
				Crown Dom. Oil					
				Crow's N. Coal					
				David & Fre. B.					
				De Havilland					
				Disher Steel					
				Do. pref.					
				Distill-Seagram					
				Dominion Bk.					
				Dom. Bridge					
				Dom. Coal					
				Dom. Engineer.					
				Dom. Found.					
				Dom. Glass					
				Do. pref.					
				Dom. Iron, pf.					
				Dom. Pr. Stubs					
				Dom. St. & C B					
				Dom. Stores					
				Dom. Tar & Ch.					
				Do. pref.					
				Dom. Textile					
				Do. pref.					
				Donnacona					
				Dryden Paper					
				Duff. Paving					
				Do. pref.					
				Durant Motors					
				East. Dairies					
				East. Steel					
				East. Koot. Pr.					
				Do. pref.					
				East. Theatres					
				Do. pref.					
				Easy Washer					
				Economic Inv.					
				Edmonton D'y					
				Do. pref.					
				Enam. & Heat.					
				Eng. Electric					
				Do. (B)					
				Fam. Players					
				Do. Vot. Tr.					
				Fanny Farmer					
				Do. pref.					
				Federal Distr.					
				Firstbrook Box					
				Do. pref.					
				Ford Mo. (A)					
				Fr. Pr. Secs.					
				Foundation Co.					
				Fraser Cos.					
				Frost Brew.					
				Do. pref.					
				Gen. St. Wares					
				Do. pref.					
				Goodyear Tire					
				Do. pref.					
				Gould Pumps, p.					
				Gt. W. Saddlery					
				Do. pref.					
				Gurd. Chas.					
				Gypsum, Lime					
				Ham. Bridge					
				Do. pref.					
				Ham. Cotton					
				Do. pref.					
				Ham. U. Theat.					
				Do. pref.					
				Hayes Wheel					
				Do. pref.					
				Hillcrest Coll.					
				Do. pref.					
				Hinde & Dauch					
				Holt, Renfrew					
				Do. pref.					
				Honey Dew					
				Do. pref.					
				H. Smith Pap.					
				Do. pref.					

Range 1931 High	Low	Divd. Rate	Yield in % $ Aug. 29	Stock	Sales	Close Aug. 24 (or last)	Week Ending Aug. 31 High	Low	Close
[illegible]				Humberstone S.					
				Hunt (A)					
				Do. (B)					
				Huron & E. M.					
				Hydro Electric					
				Imperial Bk.					
				Imperial Oil					
				Imperial Tob.					
				Int. Hyd. E. (A)					
				Inter. Mill. pf.					
				Inter. Nickel					
				Inter. Paints					
				Int. Pr. & Pa.					
				Do. (B)					
				Do. pref.					
				Inter. Pete.					
				Inter. Power					
				Do. pref.					
				Int. Util. (A)					
				Do. (B)					
				Jam. Pub. Ser.					
				Do. pref.					
				Kelvinator					
				King Ed. Hotel					
				Lake of Woods					
				Do. pref.					
				Landed Bank					
				Laura Secord					
				Lindsay, C. W.					
				Do. pref.					
				Loblaw (A)					
				Do. (B)					
				Loew's, London					
				MacKin. Steel					
				Manitoba Pr.					
				Maple Leaf					
				Do. pref.					
				Marcus Loew's					
				Do. pref.					
				Massey-Harris					
				McColl Fron.					
				Mexican L. & P.					
				Mercury Mills					
				Do. pref.					
				Mitchell, J. S.					
				Mitchell, Robt.					
				Monarch Knit.					
				Do. pref.					
				Montreal Cot.					
				Do. pref.					
				Montreal Exhib.					
				Mont. Is. Pr.					
				Mont. L. H. & Pr.					
				Montreal Loan					
				Montreal Tel.					
				Mont. Trams.					
				Moore Corp. c.					
				Do. (A)					
				Do. (B)					
				Mt. Royal Hot.					
				Muirheads					
				Do. pref.					
				Nat. Breweries					
				Do. pref.					
				Nat. Brick					
				Do. pref.					
				Nat. Distiller.					
				Nat. Grocers					
				Do. pref.					
				National Trust					
				Niag. W. Weav.					
				Noranda					
				North Star Oil					
				Do. pref.					
				N.S. Steel, pf.					
				Ogilvie Flour					
				Do. pref.					
				Ont. Eq. 10% p.					
				Ont. Silknit					
				Do. pref.					
				Orange Crush					
				Do. (A)					
				Do. pref.					
				Ott. L. H. & Pr.					
				Do. pref.					
				Ott. Traction					
				Do. pref.					
				Page-Hersey					
				Paramount					
				Paton Mfg.					
				Do. pref.					
				Pelissiers					
				Do. pref.					
				Penmans					
				Do. pref.					
				Perfec. Glass					
				Photo Eng.					
				Port Alfred pf.					
				Porto Rico pf.					
				Postal Teleg.					
				Power Corp.					
				Do. pref.					
				Pressed Metals					
				Price Bros.					
				Do. pref.					
				Quebec Power					
				Real Estate Ln.					
				Reliance Grain					
				River. S. Mills					
				Robinson Cone					
				Rogers Majestic					
				Royal Bank					
				Ruddy, E. L. P.					
				Russell Motor					
				Do. pref.					
				Sarnia Br.					
				Do. (B)					
				Serv. Stn. Eq.					
				Do. pref.					
				Shawinigan					
				Sher.-Wms.					
				Do. pref.					
				Simon & Son					
				Do. pref.					
				Simpsons Ltd.					
				Do. (A)					
				Do. (B)					
				Simpson, Robt.					
				St. Law. Corp.					
				St. Law. Flour					
				Do. pref.					
				St. Law. Pap. p.					
				St. Maur. V. P.					
				St. Pav. & Mat.					
				Do. pref.					
				Stanfords					
				Stand. Chem.					
				Stand. Steel					
				Do. pref.					
				Steel of Can.					
				Do. pref.					
				Sterling Coal					
				Sup. Pet. Ord.					
				Do. pref.					
				Tamblyn					
				Do. pref.					
				Thayers, pref.					
				Tip Top Tailors					
				Do. pref.					
				Tooke Bros.					
				Do. pref.					
				Tor. Elevators					
				Tor. Gen. Tr.					
				Toronto Mtge.					
				Traymore					
				Do. pref.					
				Twin City					
				Union Gas					
				Do. (notes)					
				Union N. Gas.					
				Union Trust					
				United Fuel					
				Do. pref.					
				United Secs.					
				Univ. Biscuit					
				Wabasso Cot.					
				Walker-Good.					
				Waterloo Mfg.					
				Weston Bisc.					
				Do. pref.					
				West. Can. Fl.					
				West. Grocers					
				Do. pref.					
				West. Steel Pr. p.					
				Whittall Can.					
				Do. pref.					
				Windsor Hotel					
				Do. pref.					
				Winnipeg Elec.					
				Do. pref.					
				Woods Mfg.					
				Do. pref.					
				Wood Alex. J.					
				Do. pref.					
				Zimmerknit					
				Do. pref.					

x Quotations for 1930. No sales recorded in 1931 to date.
x Or payable in stock.
b New York Quotations.
z Quotations for 1929.
z 24c monthly plus stock dividend of .005% monthly.
† Plus stock bonus.

Winnipeg Stock Exchange

August 24

	Bid	Ask		Bid	Ask
Beaver Fire	[illegible]		Gt. West Life	[illegible]	
Beaver Lumber, c.			Home Investment		
Do. pref.			Monarch Life		
Can. Amer. Tr. shs.			Nor. Can. Mtge. pf.		
Can. Fire Ins.			Do. pref.		
Can. Indemnity			Un. Gr. Growers		
Crescent Creamery			West Breweries		

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)

September 1, 1931

	Bid	Ask.		Bid	Ask.
Industrial Stocks:			Willards Choc. 8% pfd.		45.00
Acadia Sugar c.	.25	.45	**Insurance Stocks:**		
Acadia Sugar pfd.	1.50	2.45	Br. Amer. Assce.	41.00	
Allens Coll. pfd.	31.00		Canada Life Ass.	620.00	675.00
Allens Lond. pfd.	31.00		Canada Nat. Fire		54.50
Andian Nat. Corp.	24.00	28.00	Can. Fire Ins.	76.00	87.00
Brand.-Hend. c.		21.50	Capital Life 20% pd.		
Brand.-Hend. pfd.	80.00	90.00	Commercial Life 10% pd.		21.00
Brewing Corp. of Can. pfd.			Confederation Life 20% pd.		
B.C. Pulp & Paper 7% pfd.	3.50	5.25	Continental Life 30% pd.		
B.C. Pulp & Paper com.			Crown Life	245.00	275.00
Canada Biscuit pfd.		48.00	Dominion Life		257.00
Can. Crushed Stone pfd.		9.00	Dom. of Canada Gen. Ins.	101.00	130.00
Can. Dom. Sugar		76.00	Dominion Life	220.00	260.00
Can. Mach. c.	16.00	18.00	Excelsior Life 30% pd.		
Can. Mach. 7% pfd.		40.00	Fed. Fire 25% pd.		
Can. Packers c.	22.50	25.00	Fidelity Ins. of Canada	100.00	125.00
Can. Packers 7% pfd.	13.00	17.00	Gt. West Life	460.00	525.00
Can. Starch pfd.		94.50	Guarantee Co. of N. A.		
Can. Wire & Cable pfd.		97.00	Halifax Fire		248.00
Can. Industries com.	95.00	100.00	Imperial Fire		30.00
Can. Industries pfd.	110.00	130.00	Imperial Life	345.00	370.00
Can. Westng.	122.00	130.00	Nat. Life 25% pd.		
Con. Investors c.	56.00	60.00	Saskatchewan Life 10% pd.		
Chase, A. W. 8% pfd.	38.00	44.00	Sun Life Assur.	1,165	1,250
Cons. Oka Sand & Gravel pfd.		80.00	Western Assur. c.	42.00	50.00
Copeland Flour 6% pfd.		14.50	Western Life 20% pd.		
Dom. Foundries & Steel pfd.	50.00		**Trust, Loan & Bank Stocks:**		
Dom. Mfrs. pfd.	70.00	8.25	Br. Mtg. & Trust	170.00	
Dunlop Tire 7% pfd.			Can. Gen. Invest. Trust 1st.	27.75	33.00
Eastern Car 6% pfd.		98.50	2nd Can. Gen. Inv.	6.50	8.00
Edmonton Stk. Yds. pfd. bonus	47.00	58.50	Chartered Trust	100.00	110.00
Freiman, A. J. pf.	60.00	75.00	Deb. & Sec.		65.00
Gatineau Elev. & Transit			Deb. & Sec. pfd.	58.00	
Greening Wire 7% pfd.	14.50	16.00	Eastern Trust		170.00
Guard. Realty pfd.	92.00	97.00	Guelph & Ont. Inv. par $50		
Harding Carp. pfd.	32.00	36.00	Lambton Loan & Savings		65.00
Inter-City Bak. c.	47.50		London & Western Trust	75.00	
Internat. Proprietaries "A"		3.50	Midland Loan & Savings		175.00
Loew's London c.	1.75		Mtge. Disc. pfd.		
Loew's London pfd.			Provincial Bank	120.00	130.00
Maritime Tel. & Tel. c.	14.50	16.50	Sherbrooke Trust	110.00	
Maritime Tel. & Tel. pfd.	12.75	14.50	Toronto Mortgage		86.00
Morrow Screw Nut 7% pfd.	94.00		Traders Fin. pfd.		
Mt. Royal Hotel Scrip	1.00	2.00	Trusts & Guar.	70.00	80.00
Mt. Royal Htl. c.		2.00	Victoria Trust & Savings	70.00	85.00
Mt. Royal Hotel 6% pfd.		28.00	Waterloo Trust & Savings	128.00	145.00
Nat. Grocers c.	20.00	26.00	**Power Issues:**		
Nat. Grocers 2nd pfd.		1.50	B.C. Elect. Pwr. & Gas pfd.	103.00	105.50
Para. Oshawa c.	48.50		Calgary Pwr. pfd.		98.00
Para. Oshawa pfd.	80.00		Can. Light & Power c.		
Prov. Paper pfd.	65.00	75.00	Can. Northern Power pfd.	105.25	
Standard Clay Prod. pfd.			Can. West Nat Gas L H&P pfd.		
Standard Fuel pfd.			Gt. Lakes Pwr. pfd.	80.00	86.00
Superest Petroleu'n	76.00	77.00	N.B. Pwr. 1st pfd.		91.00
Toronto Brick pfd.	87.00		N.B. Tel. c.	65.00	67.00
Toronto Carpet Co.	110.00		N.S. L&P c.		13.75
Toronto Carpet 8% pfd.		95.00	N.S. L&P pfd.	63.75	65.00
Toronto Elevator pfd.			Ottawa LH&P 6½%	96.25	100.00
Toronto House pfd.	26.00	30.00	Power Corp. 6% pfd.		
Un. Amuse. "A"	17.00	27.00	**Recent London Quotations:**		
			Brewer Distillers		2s. 6d.
			Can. & For. Sec.		13s. 0d.
			Can. West Lumber		1s. 3d.
			Hudson's Bay		19s. 6d.
			Do. 5% pfd.		
			Internat. Holdings		
			Nfld. Pr. & Pap. 6%		
			Trust & Loan of Can. (15s. pd.)		5s.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew-Surpass Shoe pfd.	$7	$1.75	Oct. 1	Sept. 15
Assoc. Telephone & Tel. "A"				
Bell Telephone				
Biltmore Hats, pref.				
Brandram Henderson pfd.				
B.C. Power "A"				
Building Products "A"				
Brit. American Oil				
Belding Corticelli pfd.				
Bank of Nova Scotia				
Brazilian Traction, pref.				
Canadian Oil pfd.				
Can. Wire & Cable "A"				
Do. "B"				
Do. pref.				
Canadian Car, pref.				
Can. Celanese, pref.				
Can. Foreign Invest. pfd.				
Can. Gen. Electric, com.				
Do. pref.				
Can. Northern Power, com.				
Do. pref.				
Can. Pacific Railway				
Canada Cement, pref.				
Canadian Iron Foundries pfd.				
Cockshutt Plow, pref.				
Cooksville Co. pref.				
Canada Permanent Mtge.				
Can. Bakeries, pref.				
Central Canada Loan				
Can. Wirebound Box				
David & Frere "A"				
Dominion Bank				
Dominion Stores				
Dominion Textile				
Eastern Steel Prod. pfd.				
East Kootenay Power pfd.				
Famous Players				
Ford of Canada				
Gt. Brit. & Canada Inv. pref.				
Holt, Renfrew & Co. pref.				
Hamilton Un. Theatres pfd.				
Huron & Erie Mtge.				
Imperial Tobacco, ord.				
Do. pref.				
Inter. Nickel, com.				
International Petroleum				
Inter. Proprietaries "A"				
Jamaica Public Service pfd.				
Do. participating				
Landed Bkg. & Loan				
Lake Shore Mines				
Montreal Cottons				
Do. pref.				
Mont. Loan & Mortgage				
Montreal L. H. & P.				
Montreal Light, H. & P.				
Montreal C. & D. Bank				
National Breweries				
Do. pref.				
Nova Scotia L. & Pr. com.				
Northern Ont. Power, com.				
Do. pref.				
National Steel Car				
Ontario Tobacco Plant pfd.				
Oshawa Elec. Plant				
National Grocers pfd.				
Premier Gold Mines				
Power Corp. pfd.				
Do. non-cum. pref.				
Reliance Grain pfd.				
Southern Can. Pr. pref.				
Standard Steel Const. pfd.				
Twin City Rap. Tr.				
Union Natural Gas				
Walker, Hiram				
Western Canada Flour, pfd.				
Winnipeg Electric, pref.			Sept. 15	Sept. 5

Active Current Bond Prices

August 25, 1931

	Bid	Asked	Yield
Dominion of Canada 5½/33	104.25		
Dominion of Canada 5½/34	104.25		
Dominion of Canada 5/43	104.25		
Dominion of Canada 4½/46			
Dominion of Canada 4½/56			
C. N. R. (Dom. of Can. Guar.) 5/54			
C. N. R. (Dom. of Can. Guar.) 4½/55			
C. N. R. (Dom. of Can. Guar.) 4½/68			
C. N. R. (Dom. of Can. Guar.) 5/69			
Province of Ontario (Hydro) 4½/70			
Province of Ontario 5/48			
Province of Quebec 4½/70			
Abitibi Power & Paper 5/53			
Argentine Gov't. (Ser. B) 6/58			
Beauharnois Power 6/59			
Bell Telephone Co. of Canada 1st, 5/57			
Brazil, U. S. of, Ext. S. F. 6½/57			
British Columbia Power 5/60			
British Columbia Telephone 5/60			
Calgary Power 5/60			
Canada Brewing 6/42			
Canada Cement 1st Mtge. S. F. 5½/47			
Canada Gypsum Lime & Alabastine 5½/48			
Canada Northern Power 5/53			
Canada Steamship Lines 1st & Gen. 6/41			
C. P. R. Secured 4½/44 Notes			
C. P. R. Collateral Trust 5/54			
Chile Republic 6/60			
Colombia Republic Ext. S. F. 6/61			
Dominion Canners 6/40			
Dominion Square Corporation 6/48			
Dominion Tar & Chemical 6/49			
Dominion Textile 6/49			
Duke Price Power 6/66			
Eastern Dairies, Ltd., Conv. 6/49			
Eaton, T. Realty 5/49			
Famous Players 6/48			
Foreign Power Securities Corp. 6/49			
Fraser Companies 6/50			
Gatineau Power 5/56			
Gatineau Power, S. F. Debs., 6/41			
General Steel Wares 6/52			
Howard Smith Paper Mills 6/53			
Harris Abattoir 6/47			
Manitoba Power, 1st S. F. 5½/51			
Maple Leaf Milling 5½/49			
Massey-Harris 5/47			
McLaren-Quebec Power 5½/61			
Montreal Coke, 1st, S. F. 5/47			
Montreal Island Power 5½/57			
Montreal Light, Heat & Power 5/51			
Montreal Tramways 1st Coll. Trust 5/41			
Montreal Tramways Gen. Ref. 4½/55			
Moodie, J. R. 6/48			
Ogilvie Flour Mills 6/32			
Ontario Power Service 5½/50			
Ottawa Valley Power 5½/70			
Power Corporation of Canada 4½/59			
Price Bros. 1st S. F. Ser. "A" 6/43			
Quebec Power 1st. Mtge. Coll. S. F. 5/68			
Saguenay Power 4½/66			
Shawinigan Water & Power 4½/70			
Simpsons 6/49			
Southern Canada Power 1st, 5/55			
United Securities Coll. Trust 5½/52			
West Kootenay Power 5/56			
Windsor Hotel 6½/47			
Winnipeg Electric 5/35			
Winnipeg Electric 6/54			

Listed Bond Quotations

Week Ending August 31

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931
Abitibi, 1st mtge.	5	1953	[illegible]				
Asbestos							
Asbestos, 1st mige.							
Do., gen. mtge.							
Can. Cons. Rub.							
Can. Cottons							
Can. Locomotive							
Can. Forgings							
Can. Pr. (A Ser.)							
Do. (Way Ser.)							
Can. S. S. deb.							
Cedars Rapids							
Dom. Canners							
Do. Coal							
McNish							
Mont. L. H. & Pr.							
Mont. Tr. 1st mtge.							
Mont. Tr. "A"							
Mont. Tr. G. & R.							
Do. "B"							
Do. "C"							
Do. "D"							
N. S. Steel							
Ogilvie Flour "A"							
Do. "B"							
Do. "C"							
Ont. Steel							
Porto R. Pr.							
Steel of Can.							
Wayagamack							
West. K. Pr.							
Winnipeg Elec.							
Toronto							
Canada Bread							
Steel of Can.							
Dominion Govt. Bonds (Montreal)							
War Loan							
Do.							
Victory Loan							
Do.							
Do., refund							
Do., refund							
Do., refund							
Do., renewal							
Conversion Loan							
Do.							
Do.							

x Quotations for 1930. None recorded in 1931 to date. †Latest bid.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited, Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	—Approx.— Price	Yield
Alberta	[illegible]				
Alberta					
British Columbia					
British Columbia					
Manitoba					
Manitoba					
New Brunswick					
New Brunswick					
Nova Scotia					
Nova Scotia					
Ontario					
Ontario					
Ontario					
P. E. I.					
Quebec					
Quebec					
Saskatchewan					
Saskatchewan					
Cities					
Montreal					
Toronto					
Vancouver					
Winnipeg					
Edmonton					
Calgary					
Halifax					
Saint John					
Regina					
Victoria					
Quebec					

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations may be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

A. J. Pattison, Jr. & Co. LIMITED

INVESTMENT BANKERS

Dealers in Unlisted Bonds and Shares

159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

You'll en[joy] EXTRA SE[RVICE] and ECO[NOMY] of these [hotels]

NEW YORK CITY The Roosev[elt]
PHILADELPHIA The Benjamin Fr[anklin]
SEATTLE The Olymp[ic]
WORCESTER
NEWARK The Robert Tr[eat]
PATERSON The Alexander H[amilton]
TRENTON The Stacy-Tr[ent]
HARRISBURG
ALBANY The Ten Eyck
SYRACUSE The Onondaga
ROCHESTER The Seneca
NIAGARA FALLS
ERIE The Lawrence
AKRON The Portage
FLINT The Durant
KANSAS CITY The President
TUCSON El Conquistador
SAN FRANCISCO The St. Francis
SHREVEPORT The Washington-Youree
TORONTO The King Edward
NIAGARA FALLS The Clifton
WINDSOR
KINGSTON, JAMAICA The Constant Spring

UNITED HOTELS

TALK HARD TIMES DOWN BY ATLANTIC THO' TRADE FAIR

Representative of Post Writes Gossipy Letter on Conditions

A member of the staff of The Financial Post, who is travelling about the Maritime Provinces, making notes on conditions, writes as follows:

"As far as business generally throughout the Maritimes is concerned, it is a continual surprise to me to find in our monthly business index that business is at a higher level here than ever before, with the single exception of last year. The general feeling is decidedly the other way and, while making all due allowance for the undeniable fact that people have lost confidence in things and are not buying as they should, I would say that the average business man here is doing decidedly less than for some time.

"It is better, however, to deal with the country more or less in sections. I started in Saint John and at that time the city was very quiet. I had quite a talk with the president of a large department store there, and found him rather depressed about the immediate future. Conditions there no doubt have changed due to the work of rebuilding the waterfront.

Fisheries Not Profitable

"In Yarmouth and along the South Shore of Nova Scotia things are very quiet. Fishing has been unprofitable. The greater part of the Lunenburg fleet didn't even go to the banks. Captain Walters, of the "Bluenose," told me that there was no hope of a price high enough to pay expenses. The figures for fishing have of course been released and show a fair catch but a very small price. One slight exception was the lobster fishers around Picton, who were very successful. On the other hand, the same fishermen in Cape Breton had no luck.

"The one bright spot along the South Shore seems to be Liverpool, where the Mersey plant is going full blast and providing the town with steady employment.

"The rum running industry is literally along the rocks. It has in past years put a good deal of money in circulation in that part of Nova Scotia.

Halifax More Optimistic

"Coming down to Halifax, I found the general feeling a bit more optimistic, due perhaps to the fact that Halifax is not an industrial town and a great portion of the business men are salaried. There is very little being done in the port. The tonnage figures will perhaps be high due to the numerous liners coming in on week-end cruises from New York, but such liners leave little money in the town.

"The Annapolis Valley is perhaps the best situated of all. The apple crop is very good and, provided a fair price can be obtained, there seems every reason for a good winter. The Valley is purely agricultural but the effects of the depression have not been felt. I imagine that a more earnest attempt will be made this year to capture a larger share of both domestic and foreign markets. Kentville is the centre of the district and, as the headquarters of the D. A. R. is very prosperous.

"Truro seemed to me to be very quiet. Stanfield's are not very active and the other chief activity of the town is the railway. Little business is being done.

"New Glasgow, on the other hand, is the centre for a considerable population—including Stellarton, Westville and Trenton—and is fairly well-off. The money is there but there is the usual tendency not to spend it. The mines at Stellarton are working fairly well, but Westville and Trenton are badly hit.

"Frankly, I was surprised at the state of things in Sydney itself. I eally expected deplorable conditions there and found that while things are serious, the tendency among the progressive men in Sydney is to look for relief in the immediate future. Mr. Kelley, general manager of the Dominion Steel and Coal, felt that with the C. P. R., and South African orders in and another larger order from the C. N. R. expected, things in the steel plant were shaping about as well as could be expected. But only one-third of their men are working.

Not So Good At Mines

"In Glace Bay, Sydney Mines and North Sydney, as well as the smaller coal-mining towns, things were very poor indeed. The men are working only two to three days a week and many are not getting that. There has been a system of municipal relief approaching the dole in vogue in these towns for some time.

"Turning to Prince Edward Island, the picture is much better. The fox industry is, due to wholesale exporting of foxes in the past, at a low ebb. The government has banned further export of live foxes, however, and this is expected to relieve the situation. The Island cannot really be said to have felt the depression acutely. General crops are good. There is, of course, the usual talk about hard times.

"It was a rude shock to come to Amherst and Springhill after the Island. Amherst has not been growing while the mines at Springhill are on half-time at best.

"In these towns and in Moncton here I find the mental attitude decidedly depressed with too little reason for it. In Moncton things have been going on quite well until recently. The C. N. R. has cut wages and working hours.

Talk Hard Times

"In finishing this review of conditions, may I stress the mental side of the depression again—people delight in talking "hard times."

"I should say that among investors generally there is a great deal of mistrust due to the activities of certain firms. This mistrust is directed not only against the investment houses but against stocks generally. There can be no doubt that people have completely lost confidence in the market and it will take time to restore it. The investment houses are doing very little business. Investors feel that the average broker knows no more about stocks than they do and they say so. The fact that almost every house has sponsored certain spectacular failures has weakened them.

"There is very little gossip about the banks. The banks and the insurance companies are getting the money that formerly went to the broker and the merchant.

Disgusted by Beauharnois

"The general opinion regarding Beauharnois is one of disgust, partly that such things should go on, partly that the investigation was hushed up. Both political parties are of the same opinion in this regard. It is felt that the thing should be carried further. I haven't heard any definite sentiment either in favor of nor against the taking over of the property by Montreal Power.

"There is a definite feeling right through the provinces that the Maritimes have suffered through Confederation and that they are being unfairly treated to the benefit of Upper Canada. This feeling, curiously enough, is most prevalent in Saint John and least noticeable in Sydney of all places."

Canadian Quotations—Cont'd

Winnipeg Grain Prices

Week to September 1

Crop Year from Aug. 14 High	Low		Open Aug. 26	High for week	Low for week	Close Sept. 1
		Wheat				
.70¾	.51¾	Oct.	.55	.55⅞	.53	.53⅛
.67½	.52⅜	Dec.	.55¾	.56⅝	.53⅞	.53⅞
.61⅞	.57¼	May	.59⅝	.60¼	.57⅝	.57⅝
		Oats				
.32	.26¼	Oct.	.28½	.29⅞	.27⅞	.27⅞
.33½	.25⅜	Dec.	.27⅝	.28⅝	.26⅝	.26⅝
.31¾	.28	May	.29⅞	.30½	.28¾	.28¾
		Barley				
.36⅝	.25½	Oct.	.32¼	.33⅜	.31¾	.31¾
.33½	.25⅝	Dec.	.32¼	.33½	.31⅞	.32
.36¼	.33⅞	May	.34½	.34⅞	.34	.34¼
		Flax				
1.25¾	.95½	Oct.	1.02	1.03¼	.99¼	1.01
1.27	.99¾	Dec.	1.02	1.04	.99¾	1.01½
1.21	1.08	May	1.05½	1.08	1.03¾	1.05¼
		Rye				
.40⅝	.28	Oct.	.30⅞	.33	.30¾	.31⅞
.42	.29¾	Dec.	.32¼	.34¼	.32½	.33
.38	.32½	May	.35⅝	.38	.35¾	.36⅛

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo

Week of September 1

High to date†	Low		Close Aug. 25	High for week	Low for week	Close Sept. 1
		Wheat				
.70¼	.55⅞	Oct.	.58⅛	.59⅝	.57	.57
.70½	.57⅞	Dec.	.59⅞	.61	.59	.59¼

†Since trading opened March 3.

Foreign Exchange

	New York Funds High	Low	Last Year High	Low
	(Premium)		(Discount)	
August 26	11-32	5-16	1-16	5-64
August 27	23-64	11-32	5-64	7-64
August 28	21-64	5-16	7-64	1-8
August 29	5-16	19-64	7-64	1-8
August 31	21-64	5-16	7-64	1-8
September 1	13-32	21-64	7-64	1-8

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
August 26	4.85 13-16	3.91 3-4	5.22 7-8
August 27	4.85 11-16	3.92	5.22 7-8
August 28	4.85 5-8	3.92	5.22 13-16
August 29	4.85 3-4	3.92	5.22 5-16
August 31	4.85 13-16	3.92 1-16	5.22 7-8
September 1	4.85 3-4	3.92 1-8	5.22 7-8

FOREIGN EXCHANGE

Par		Aug. 18	Aug. 25	Sept. 1
5.26	Italian	5.24⅝	5.24⅝	5.24¾
23.80	German	23.80½	....	23.83½
13.90	Belgian	13.96½	13.98½	13.97½
49.80	Japanese	49.50	49.50	49.55

Mining Stock Quotations

Week Ending August 31

Par Val.	Range 1931 High	Low	Company	Sales	Close Aug. 24 (or last)	High for Week	Low for Week	Close Aug. 31
1	.23	.03	Abana	1,000	.04	.04½	.04	.04½
1	.03	.01	Aconda	2,000	.01½	.01	.01	.01
1	.05½	.03½	Adrien		.04½			
No	.50	.12	Aldermac	100	.15	.25	.25	.25
1	.20½	.12	Alexandria	37,500	.19	.20½	.18½	.20
1	.05	.00½	Algonquin	62,000	.01	.01½	.01	.01½
1	.02½	.01	Amity C.		.01½			
No	.45	.12	Amulet	4,700	.18	.19	.18	.19
1	.02½	.01	Apex		.01			
1	.05	.01	Area	1,000	.01½	.01½	.01½	.01½
1	.01	.00½	Argo. Cons.		.00½			
No	.08½	.01½	Arno	40,400	.02½	.02½	.02½	.02½
1	.01½	.01	Astoria	1,000	.01	.01	.01	.01
1	.02	.00½	Atlas		.00½			
1	.07	.05½	Bagamac		.06½			
1	.02½	.01	Baldwin	2,500	.01	.01½	.01	.01½
1	.19	.08	Barry Holl.	88,450	.11	.13½	.10½	.11½
No	1.45	.75	Base Metals	1,000	1.01	1.01	1.00	1.00
No	.04	.00½	Bathurst	18,500	.03	.03½	.02½	.03½
51	1.75	.60	B'Wana		.75			
1	.28	.26	Ben Nevis		.27			
1	.33	.30	Bidgood	24,720		.33	.30	.33
1	.50	.18	Big Missouri	3,400	.24	.23½	.21	.22
1	.05½	.04½	Blue Quartz		.04½			
1	.12	.02	Bobjo	13,000	.04½	.04½	.03½	.03½
No	.01	.00½	Boischatel		.00½			
1	.08	.01	Brett Trethewey		.02			
1	.03	.03	Brit. Canadian		.03			
No	.12	.02½	Brownlee	125,400	.04	.04½	.03½	.04
1	.02	.00½	Buckingham		.00½			
No	.08½	.02	Bunker Hill	27,500	.02½	.03½	.02½	.03½
No	.03	.01	Cal. Flin Flon		.01			
1	.02	.01	Cambro Kirk		.01½			
No	.05½	.02½	Canam Metals		.03			
1	.06½	.01½	Can. Kirk	4,500	.02½	.03	.02½	.02½
1	.02	.02	Can. Lorraine		.02			
1	.32½	.12	Canusa	2,000	.17½	.17½	.15	.15
1	.04½	.00½	Capital R.	500	.01	.01	.01	.01
1	.26½	.15	Castle Tre.	3,500	.15½	.17	.15	.15
1	.23	.03	Cen. Manitoba	3,300	.09½	.10½	.10	.10
1	.17	.07½	Can. Patricia	1,875	.10	.10½	.10	.10
1	.03	.01½	Champion R.		.03			
No	.59	.02	Chib. Pros.	5,750	.10	.10	.07½	.08½
No	.08	.02	Clericy	44,000	.02	.02½	.02	.02
5	10.50	2.50	Coast Copper	75	3.25	3.25	3.00	3.25
1	.05½	.01½	Cobalt Con.	2,500	.02	.02½	.02	.02
1	.02½	.00½	Col. Kirk		.01½			
1	.39	.05	Columario	13,300	.12½	.12½	.11½	.11½
5	1.50	.50	Coniagas	300	1.30	1.30	1.30	1.30
No	.62	.25	Coniaurum	2,100	.40	.45	.40	.45
25	188.25	71.25	Cons. Smelters	345	95.50	95.12	94.00	95.00
.	.21	.15	Cons. Venus	5,400	.15	.21	.16	.21
1	.01	.00½	Corona	500	.01	.00½	.00½	.00½
1	.02½	.00½	Crown Res.	10,000	.01	.01½	.01½	.01½
.	.29½	.26½	Crudome		.28½			
No	.21	.03	Dom. Explor.	142,700	.14	.16	.12	.13½
1	.03	.00½	Dom. Kirk	1,000	.00½	.00½	.00½	.00½
No	13.40	9.00	Dome Mines	11,075	11.55	12.25	11.60	11.80
1	.01½	.00½	Don Rouyn		.01			
No	.33	.30	Don. Woolsey		.30			
1	.01	.00½	Dunkin		.00½			
1	.02½	.00½	Duprat		.02			
1	1.68	.20	Eldorado	77,205	1.45	1.57	1.34	1.53
No	1.70	.75	Falconbridge	100	1.06	1.06	1.06	1.06
1	.08½	.02	Federal	14,500	.05½	.05½	.04½	.04½
No	.01½	.00½	Flintoba	11,000	.00½	.00½	.00½	.00½
No	.30	.07	Gem Lake	13,300	.08	.08½	.08	.08
No	.04½	.02½	Gilbec		.04			
1	.08	.02½	Goldale	3,500	.03½	.03½	.03½	.03½
10	.25	.15	Goldfield		.15			
1	.01½	.00½	Gold Hill	1,500	.00½	.00½	.00½	.00½
1	.11	.02½	Goodfish	2,000	.03½	.03½	.03½	.03½
1	.04	.00½	Graham	12,000	.01	.01	.00½	.01
No	2.30	1.10	Granada	8,350	1.31	1.32	1.10	1.21
1	.12	.06	Grozelle		.12			
1	.03	.01	Harker	1,000	.01	.01	.01	.01
.	.30	.28	Helliwell		.28			
.	.39	.31	Harvey		.39			
1	.08½	.07½	Hayden		.08			
1	.05	.00½	Hilltop	11,500	.01½	.01½	.01½	.01½
5	8.70	5.70	Hollinger	3,595	6.30	6.35	6.05	6.05
1	.40	.20	Howey Gold	16,325	.36½	.36	.34	.34½
No	6.30	3.25	Hudson Bay	235	3.80	3.75	3.75	3.75
No	.40	.30	Huronian	2,400	.35	.31	.31	.31
No	20.50	9.50	Int. Nickel	9,132	13.00	13.62	12.50	13.00
1	.03	.00½	Jackson M.		.01			
1	.34	.23	Keeley		.25			
1	.04½	.00½	Keora Mines	500	.01	.01	.01	.01
1	.65	.27½	Kirk. Hud. Bay	3,700	.55	.60	.55	.55
1	.03	.01	Kirk. Hunton		.01½			
1	.93	.54	Kirk. Lake	6,900	.67	.70	.61	.64
1	.08	.01	Kirk. Premier	14,000	.03½	.04	.02½	.04
1	.18½	.05½	Kirk. Townsite	53,150	.17	.18½	.13	.18½
20c	.02½	.00½	Koot. Flor.	6,000	.00½	.00½	.00½	.00½
1	.02	.00½	La Rose		.01½			
1	.69	.38	Lakeland	1,000	.47½	.47½	.47	.47
1	28.50	23.50	Lake Shore	1,307	27.50	28.00	27.50	27.50
1	.02	.00½	Laval		.00½			
1	.04	.01½	Lebel Oro	1,500	.02½	.02½	.02½	.02½
No	.35	.35	Locarno		.35			
1	.55	.10	Macassa	143,500	.49½	.53½	.49	.51
1	.12	.02	Malartic	4,000	.05	.04½	.04	.04
No	.15	.06	Mandy		.07			
No	.06	.01½	Man. Basin	6,000	.01½	.02	.02	.02
1	.55	.20	McKinley		.40			
5	26.50	20.00	McIntyre	1,840	21.25	21.35	21.00	21.25
No	.33	.08	McLeod River	67,150	.16½	.16½	.12	.14½
1	.04	.04	McVittie		.04			
1	.29	.06	MacMillan		.06			
1	.01½	.00½	Millcrest		.01			
No	2.84	1.46	Mining Corp.	2,080	1.75	1.90	1.75	1.83
1	.27	.01	Moffatt Hall	316,300	.20½	.27	.20	.26½
1	.04	.02½	Moneta	2,000	.04	.03½	.03½	.03½
1	.00½	.00½	Mtl. Rouyn		.00½			
1	.63	.20	Moss	498,310	.36	.43½	.36	.43
1	.09	.01	Murphy	14,200	.03½	.03½	.03	.03½
No	.07½	.02	Newbec	7,800	.03½	.03½	.03	.03
1	.40	.25	Nevada		.25			
1	.09	.02	Night Hawk		.03			
5	1.90	.80	Nipissing	9,530	1.50	1.55	1.35	1.54
No	29.65	14.00	Noranda	17,639	18.50	20.50	18.25	19.75
1	.50	.25	Nor. Canada	4,000	.32	.31	.30	.30
No	.03	.00½	Old Colony	44,500	.00½	.01	.00½	.00½
1	.01	.00½	Ophir		.00½			
1	.10½	.02½	Oriole		.03			
1	.21	.07	Osisko	3,000	.09	.10	.09	.10
1	.25	.23	Parkhill		.23			
1	.15	.14	Patricia Dent		.14½			
1	.04½	.01½	Pawnee Kirk		.02½			
No	1.61	.60	Pend Ore	375	.75	.75	.70	.70
1	.04½	.01	Pete. Cobalt	6,000	.01½	.01½	.01	.01½
.	.19½	.19	Phoenix M.	1,000		.19½	.19	.19½
.	.50	.10	Phy. Molybd.		.18			
1	.01½	.00½	Picard		.00½			
1	.12	.07	Pioneer		.09			
1	.02½	.00½	Porc. Crown	1,000	.00½	.00½	.00½	.00½
1	.02	.00½	Potter Doal	500	.00½	.01	.01	.01
1	.45	.30	Powell Ryn.		.30			
1	.99	.55	Prem. Gold	2,200	.55	.58	.55	.55
1	.02½	.00½	Preston E. Dome	5,000	.00½	.01	.01	.01
No	.25	.07	Quemont	100	.07	.08	.08	.08
1	.06	.00½	Ribago	81,600	.05	.04½	.03½	.04
1	.34	.24	Rich. Rock		.33			
1	.15	.02	Ritchie	10,700	.03½	.03½	.03½	.03½
1	.04	.00½	R. Montbray	6,000	.01	.01	.00½	.01
1	.05	.04	Rubec		.04			
No	.25	.10	San Antonio	2,400	.16	.15½	.14	.14
1	.21	.10	Seven Troughs		.10			
1	1.25	.49	Sherritt G.	6,250	.59	.61	.55	.59
1	.57	.36	Siscoe	45,485	.56½	.57	.54	.55
1	.18	.02	So. Keora		.04			
No	.05	.01½	Stadacona	28,500	.03	.02½	.02	.02
1	.20	.03½	St. Anthony		.09			
No	.82	.35	Sud. Basin	650	.42	.40	.40	.40
1	.03	.01	Sud. Contact	1,000	.01½	.01½	.01½	.01½
1	.03½	.00½	Sudbury M.		.00½			
No	.04½	.01	Sudbury N.		.03			
1	.19	.09	Sullivan	2,500	.12	.12	.12	.12
1	1.14	.48	Sylvanite	23,850	.77½	.77	.73	.74
1	.20½	.04	Tashota	46,700	.14	.15	.13	.15
1	8.65	6.00	Teck Hughes	11,060	6.30	6.35	6.20	6.25
1	.10½	.01	Telluride	2,000	.01½	.01½	.01½	.01½
1	.01½	.01	Temiskaming		.01½			
1	.06½	.02½	Thom. Cad'c		.02½			
1	.02½	.00½	Tough Oakes		.01			
1	.63	.17	Towagmac	600	.30	.35	.35	.35
1	2.65	1.00	Treadwell		1.25			
No	2.85	2.40	Tri-Metals		2.85			
1	.15	.04	United Kirk	10,000	.09½	.09½	.08½	.08½
1	.03	.01	Vacuum Gas		.02			
No	.86	.35½	Ventures	80,350	.60	.69	.57½	.65
1	.15	.01½	Vickers		.07			
1	1.22	.67	Vipond	8,800	.70	.71	.69½	.69½
No	2.00	.90	Waite Ack.	100	1.00	1.00	1.00	1.00
1	.02½	.01	West Tree		.01			
1	.27	.03½	White Lake	11,500	.07	.04	.03½	.03½
1	.06	.02	Wiltsey		.02			
No	.01½	.00½	Windfall R.		.01			
	.13	.03½	Wood Kirk	1,500	.05	.05	.05	.05
No	3.24	1.85	Wright-Har	61,920	2.95	3.24	2.96	3.15
			WESTERN OIL STOCKS					
1	.30	.13½	Acme	46,900	.17	.21	.17	.18
No	.50	.50	Advance		.50			
1	.37½	.05	Alta. Pac.	10,970	.05	.08	.06	.08
1	.08	.07	Amalgamated		.08			
No	.25	.05	Associated	2,300	.06	.06	.05	.05
1	1.80	1.10	Ajax	3,775	1.28	1.30	1.28	1.30
No	.12	.02	Baltac	500	.02	.02	.02	.02
1	.07	.02	Black Dia		.02			
1	.36	.05	Brit. Dom.	300	.05	.05	.05	.05
1	.32	.04½	Calmont	3,000	.05	.05½	.05½	.05½
No	.82	.23	Calgary & Ed.		.23			
1	.47	.08	Comm. Pete	1,200	.08	.09	.08	.09
No	.60	.15	Dalhousie	1,250	.15	.19	.17	.19
No	.08	.01½	Devenish		.01½			
No	.12	.01½	Dome Oil		.01½			
No	.69	.08½	E. Crest	3,400	.09	.10	.08½	.10
1	.05	.00½	Fabyan Pete	1,000	.00½	.00½	.00½	.00½
No	.60	.14	Foothills		.15			
No	.18½	.02	Freehold	100	.02	.03½	.03½	.03½
1	.02	.00½	Great West	320	.02	.00½	.00½	.00½
No	.17	.03	Hargal	4,820	.04	.06	.03	.06
No	.10	.03½	Herron Pete		.03½			
No	.07½	.02	High Sarcee		.02½			
No	2.00	.40	Home	2,459	.40	.46	.41	.42
No	.22	.02½	Homestead		.02½			
1	1.70	.59½	Homest'd O & G.	1,800	.85	.81	.80	.81
1	.08½	.00½	Ill. Alberta	4,000	.00½	.00½	.00½	.00½
No	.70	.10½	Lowery		.18			
1	.05	.00½	Madison	800	.00½	.01	.00½	.01
1	.85	.20	Mayland		.20			
No	.11	.02½	McD. S. Ex.	3,000	.02½	.03	.03	.03
1	.29	.02½	McD. S. N.		.02½			
1	.72½	.25	McLeod	100	.26	.30	.30	.30
No	.39	.07½	Mercury	5,450	.09½	.12	.09½	.12
No	.20	.06	Merland		.07			
1	.18	.08	Mid West		.10			
No	.38	.08	Mill City Pete	8,250	.08	.12	.09	.12
1	.49	.11	Model	1,460	.11½	.12	.11½	.12
1	.18	.02	Monalta		.02			
1	.31	.07	Moose M.		.07			
1	.04	.00½	New Federal	3,500	.00½	.01½	.00½	.00½
No	.56	.15	Nordon	43,400	.21	.22½	.20	.21
No	.11	.02½	Oil Select	114,100	.06½	.08½	.06½	.07½
No	.28	.03½	Okalta	100	.04	.03½	.03½	.03½
100	27.00	8.00	Do., pref.		8.00			
No	.22	.05	Olga Gas & Oil	12,000	.14½	.14½	.13	.13½
1	.37½	.20	Petrol	400	.21½	.20	.20	.20
No	.28	.02	Penn. Pete	106,200	.04	.04½	.03½	.04½
No	.25	.05	Ranchmen's		.08			
1	.05	.01½	Regent		.01½			
No	.13	.01½	Richfield	3,100	.02	.01½	.01½	.01½
No	17.75	5.50	Royalite	111	6.00	7.25	6.00	7.00
1	.82	.30	Sarnia Oil	79,400	.42	.40	.30	.30
1	.06½	.01	Signal Hill	1,900	.02½	.02½	.02½	.02½
No	.27	.10	So. West Pete		.10			
1	.60	.12	Spooner	200	.14	.14	.14	.14
No	.19	.04½	Sterling Pac.		.05			
	.15	.15	Turner Basin		.15			
1	.16	.05	Turner Valley	260	.12	.05	.05	.05
No	.31	.06	United	3,410	.08	.07	.06	.07
1	.15½	.08	Vulcan		.08			
No	.05	.00½	Wainwell	4,500	.01	.00½	.00½	.00½
1	.28	.08	Waite Valley		.08½			
			VANCOUVER STOCK EXCHANGE (Transactions for Week to August 26)					
25c	.01	.00½	Bayview		.00½			
20c	.07	.01	Beaver Silver		.04			
25c	.02½	.00½	Bluebird		.01½			
1	.70	.40	B. C. Silver		.40			
25c	.02	.00½	Cork Province		.01			
1	.20	.10	Cotton Belt	800	.10	.15	.12	.15
1	.04	.02	Dunwell		.02			
1	.10	.04	Duthie		.04			
1	.90	.40	George Copper		.43			
50c	.05	.01	Geo. Enterprise		.01			
1	.05	.01½	Georgia River	5,000	.02½	.02½	.02½	.02½
50c	.02½	.02½	Glacier		.02½			
10c	.01	.01	Gladstone		.01			
1	.45	.18	Golconda		.21			
50c	.07½	.03	Grandview	4,000	.04	.04	.04	.04
No	27.50	17.50	Howe Sound		21.25			
1	.17½	.11	Intern. Coal		.12			
1	.01½	.01	Independence		.01			
1	.02	.01	Indian Mines	3,000	.01½	.01	.01	.01
1	.43	.24	Jack Waite		.32			
25c	.02	.00½	Kootenay King		.00½			
25c	.00½	.00½	Lakeview		.00½			
25c	.02	.00½	L. & L.		.02			
1	.12	.12	Los Ang. Van.					
1	.12½	.06	Lorne Gold	144,500	.10½	.11	.10½	.10½
10c	.03½	.01½	Lucky Jim		.02			
2.50	.01	.00½	Marmot Gold		.01			
50c	.01	.00½	Marmot Metals		.00½			
25c	.00½	.00½	Mohawk		.00½			
1	.25	.14	Montana Mines		.17			
1	.05	.01½	Morton Woosley		.01½			
50c	.03½	.01	National Silver	15,000	.01½	.01	.01	.01
50c	.09½	.03	Noble Five	10,000	.03	.04	.04	.04
50c	.12½	.03	Oregon Copper		.03			
1	2.70	1.23	Pioneer Gold	4,385	2.50	2.50	2.40	2.45
No	.02	.00½	Premier Border	10,000	.00½	.00½	.00½	.00½
50c	.09	.04	Porter Idaho	500	.05	.04	.04	.04
No	.55	.20	Reeves McD.	200	.27	.23	.23	.23
1	.28	.11	Reno Gold	500	.25	.25	.25	.25
1	.04	.02	Rufus Argenta	1,000	.02	.02	.02	.02
1	.07	.04	Ruth Hope		.05			
1	.05½	.04	Silverado		.05½			
25c	.03	.00½	Silver Crest		.00½			
50c	.05	.00½	Snowflake	14,750	.01	.01	.00½	.00½
1	.45	.30	Sunloch		.30			
50c	.02	.01	Topley Rich		.02			
5	.20	.05	Toric		.05			
20c	.01	.00½	Wellington		.01			
1	.05	.02	Whitewater		.02			
No	.03½	.00½	Woodbine	6,000	.00½	.00½	.00½	.00½

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	2.63	Premier	12c.	21.81
Dome Mines	$1	8.47	Pioneer, B.C.	12c.	4.80
Granby	$1	....	Royalite	50c.	....
Hollinger	65c.+5	11.57	Spooner Oils	6c.	....
Howe Sound	$2	....	Sylvanite	4c.	....
Inter. Nickel	40c.	3.07	Teck Hughes	60c.	9.60
Lake Shore	$2	7.27	United Oils	5c.	....
McIntyre	$1	4.70	Wellington Oil	5c.	....
Mercury Oil	5c.	....	Wright-Har	10+2½c.	3.96
Model Oils	12c.	....			

a. Stock bonus 1 share for each 20 shares held.

September Dividends Will Total $19,187,372

Dividend payments by Canadian corporations during September will total approximately $19,187,372, as compared with $23,668,503 paid out in the corresponding month of 1930 and the $22,542,905 paid out in September, 1929. During the past year a large number of the largest corporations have cut their dividends materially or have passed dividends entirely and in several instances the reduction in rate has resulted in savings to the company of well over $1,000,000. Brazilian Traction and International Nickel are the outstanding examples.

The current month brings but one increase in dividend rate, Lake Shore Mines Ltd., having been placed on a $2 per year basis with the declaration of a quarterly dividend of 50 cents per share payable on September 15. In the fiscal year ended June 30, 1931, the company paid $1.80 per share on the common stock which included a bonus of 30 cents. International Proprietaries, Ltd. is paying a participating dividend on the class A stock in addition to the regular disbursement of 65 cents. Brazilian Traction has resumed payment of dividends in cash in place of the stock payment that has been made in the past few quarters.

Two companies have passed dividends entirely and two are making payments at a reduced rate. David & Frere Ltd. has reduced the quarterly payment on the class A stock to 25 cents per share from the previous quarterly rate of 56½ cents. International Nickel is paying 10 cents a share as against 15 cents per share in the previous quarter. Canada Bread Co. has passed the usual semi-annual dividend on its common stock and the dividend on the first preference stock of Canada Paving & Supply Co. has been deferred.

With announcement still to be made of several dividend payments, the companies making payments in September, as compiled by The Financial Post, is as follows:

SUMMARY OF PAYMENTS

Dividends	$19,187,372
Bond interest	17,764,930
Total	$36,952,302

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Bk. of Montreal	3q	1	$1,080,000
Bk. Can. Nationale	2½q	1	175,000
Bk. of Toronto	3q	1	180,000
Belding Cort., pfd.	1¾q	15	15,142
Biltmore Hats, pref.	$1.75	15	5,223
Brazilian Tr. ord.	25c.	1	1,622,511
Canada Cement, pfd.	1⅝q	30	340,932
Canada Iron Fds.	1½s.	15	23,983
Do., pref.	3s.	15	116,334
Canada Malting	37½c.q	15	74,614
Canada Vinegars	40c.q	1	36,800
Can. Wire & Cable "A"	$1q	15	30,769
Do., Class "B"	43¾c.q	15	55,327
Do., pref.	1⅝q	15	48,750
Can. Bakeries, pref.	$1q	15	9,500
Can. Bk. of Commerce	3q	1	900,000
Can. Celanese, pfd.	1¾q	30	157,500
Can. For. Invest. pfd.	4q.	10	70,068
Can. Hydro Elec. pfd.	1½q	1	187,500
Can. Int. Inv. Tr. pfd.	1¼q	1	23,500
Can. West. Nat. Gas pfd.	$1.50	1	52,500
Cooksville Co. pfd.	1q	15	4,000
Claude Neon Adv. pfd.	1¾q	15	41,052
Crow's Nest Coal	75c.	1	46,594
David & Frere "A"	25c.q	15	5,750
East Koot. Pr. pref.	1¾q	15	17,500
East. Theatres, com.	50c.q	1	16,000
Famous Players	50c.q	26	189,330
Ham. Un. Theatres pfd.	1¾q	30	13,787
Hollinger Mines	1%	9	246,000
Imperial Oil	12½c.q	1	3,339,728
Imperial Tobacco	1¾q	30	826,963
Do., pref.	3s.	30	240,900
Inter. Mill. 1st pfd.	1¾q	1	62,208
Do., "A" pref.	1½q	1	14,512
Inter. Propriet. "A"	65c.q	15	145,772
Do., participation	5c.	15	11,213
Inter. Nickel, com.	10c.q	30	1,458,402
Inter. Petroleum	25c.q	15	3,631,022
Jones Bros., pref.	$1.62½q	1	5,443
Lake Shore Mines	50q	15	1,000,000
Lake of Woods Mill. pfd.	1¾q	1	26,250
Laura Secord, c.	75c.q	1	43,098
Legare, P. T. pref.	1¾q	1	10,787
Lindsay, C. W.	25c.q	1	8,252
Do., pref.	1¾q	1	11,847
Loblaw Grocet. "A" & "B"	20c.q	1	170,168
London Can. Inv. pfd.	1¼q	1	50,000
McColl Fron. com.	15c.q	15	74,458
McIntyre Mines	5q	1	199,500
Montreal Cottons	1¼q	15	45,000
Do., pref.	1¾q	15	52,500
Montreal Loan & Mtg.	75c.q	15	18,000
Nat. Sewer Pipe	50c.	15	26,596
Do., Class "A"	60c.q	15	17,884
New Method Ldry. pfd.	1¾q	1	4,062
N.S. L. & P. pfd.	1½q	1	18,750
Northwestern Util.	$1.50q	1	14,344
N.S. Shipping, pref.	1¾q	1	1,253
Ogilvie Flour, pref.	1¾q	1	35,000
Photo Engravers	50c.q	1	15,000
Provincial Bank	2¼q	1	90,000
Reliance Grain, pfd.	1⅝q	15	32,500
Rog. Maj. "A" & "B"	30c.q	1	37,664
Rolland Paper, pfd.	1½q	1	22,500
Royal Bank	3q	1	1,050,000
Simon H. & Sons	62½c.q	1	18,781
Do., pref.	1¾q	1	9,852
Union Nat. Gas	25c.q	10	154,981
Walker, Hiram	12½c.q	15	330,000
West. Can. Flour, pfd.	1⅝q	15	39,659
Windsor Htl., pfd.	1¾q	1	36,562
			$19,187,372

q—Quarterly. s—Half-yearly.

BOND INTEREST DUE IN SEPTEMBER

Company	Rate	Date	Due	Amount
Ad. Beatty Htl.	7	1	1944	$ 21,000
Andian Nat.	6	1	1940	240,000
Adel. Shep. Bldg.	7	15	1948	28,000
Acadia Apts.	6½	1	1939	55,250
Bawlf Ter. Elev.	6½	1	Ser.	9,425
Bell Tel. "A"	5	1	1955	750,000
Brant. Roofing	6½	1	1943	19,500
Border Cities Htl.	7½	1	Ser.	27,562
Brand.-Hend.	6	15	1939	25,350
B.C. Elec. deb. stk.	4½	30	Perp.	287,355
Br. Amer. Oil	5	1	1945	125,000
B.C. Power A	5½	1	1960	275,000
Can. Bakeries	6½	1	1945	24,001
Can. Pacific Rly.	4½	1	1946	450,000
Can. Theatre	6½	1	1941	12,158
Crescent Rd. Apts.	7	1	1946	5,600
Dom. Textile	6	1	1949	149,460
Goodyear Cot.	6	1	1949	43,395
Gt. West. Sadd.	6	1	1948	22,395
Gt. West Timber	6½	1	1938	1,202
Gypsum Lime A	5½	1	1948	106,419
Hermes Bldg.	6½	1	1942	18,037
Hillcrest Coll.	5	1	1940	8,125
Hotel Victoria	6	1	Ser.	7,800
Inter. Waterways	6	1	1937	3,210
Int. Paper	6	1	1955	613,035
Inter. Power	6½	1	1957	97,500
Interlake Trans.	6	1	1937	4,575
Legare, P. T.	6	1	1947	31,020
Lindsay, C. W.	6	1	1958	33,120
Medalta Potteries	6½	1	1949	10,400
Mersey Paper	6	1	1949	60,000
Mex. Tram. 1st mtge.	5	1	1963	251,370
Mont. Pub. Serv.	5	1	1942	74,200
Mtl. L.H. & P. 'B'	5	1	1970	125,000
National Brick	6	1	1949	48,000
Nat. Utilities	6	15	1948	5,010
Northern Tele.	6	1	1948	4,500
N.B. Power	5	1	1937	44,400
N.S. Shipping	6	1	1943	3,195
Ont. Bldg.	6½	1	1943	26,000
Peel St. Realties	6½	1	Ser.	16,250
Power Corp. "B"	4½	1	1959	225,000
Prov. L. Heat	5	1	1946	25,150
Regent Knit.	6½	1	Ser.	15,060
Ritchie Cut Stone	6½	1	1948	2,925
Rob Jones & Wh.	6	1	1950	5,838
Stand. Lime	6	1	1944	18,000
St. Clair Ap. Bldg.	7	8	Ser.	2,450
Silverwoods	7	1	1937	5,649
Stanley Realty	7	1	1945	14,000
Toronto Carp. A	6	1	1944	24,240
Trail Apts.	6	1	1947	1,200
Viceroy Mfg.	6½	1	1950	9,750
Un. Amuse. "A"	6	1	1942	43,650
West. Koot. Pr. A	5	1	1956	162,500
Corporation bonds				$ 4,718,231
Municipal				*5,285,027
Provincial				*3,820,000
War Loan	5	1	1937	2,254,172
Victory Refund.	4½	1	1940	1,687,500
Total				$17,764,930

*Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Beet Sugar Values Gain

Notwithstanding lower prices, production of beet sugar in Canada in 1930 exceeded that of the previous year in value by $1,197,629. The acreage increased 7,976 acres, and the yield increased 163,111 tons.

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Canadian Mining News

MID-WEST FIELD AS GOLD PRODUCER ELATES MANITOBA

Red Lake Area and Central Manitoba Witnesses Activity

From Our Own Correspondent

WINNIPEG.—Those close to the mineral picture in Manitoba are highly elated over prospects for gold producers in the mid-west gold mining area which extends from the head of the Great Lakes through to Lake Winnipeg. Part of this territory is of course in Ontario but Manitoba's mining enthusiasts worry little about interprovincial boundaries, especially when they review the excellent progress being made in this field during the present year.

At present there are actually two gold producers in this area, namely Howey and Central Manitoba. Until last year the total output of these two was only between the $500,000 and $700,000 mark, but for 1930 it is believed that the total will be not far short of $2,500,000, while even bigger things are seen ahead for 1932 when it is believed that five or six companies now being whipped into shape in the area will be actually producing. These properties are: San Antonio, Gem Lake and possibly Casey Mountain. Considerable encouragement has been felt as a result of the decision of Noah Timmins to put something like $400,000 into San Antonio, details of which were finally agreed upon two weeks ago.

Not only has 1930 been the best year this area ever had, in the opinion of those most closely connected with mining in the province, but the fact that development work has gone on quietly and successfully without any flag-waving by parties solidly interested in commercial mining is considered a good omen.

Another fact of importance is that it is believed that during the year two really important gold finds have been uncovered, namely, Rowan Hill, at Pipestone Bay, about 12 miles from Howey, and also the Munroe property on MacKenzie Island, about four miles from Howey, recently taken over by Coniagas. Both of these are believed to hold real promise.

ELDORADO ORE AT EXHIBITION, REPORT COMING

Shares Allotted This Year Cover Early Subscriptions, Now Being Taken Up

It is expected that Gilbert LaBine, vice-president and general manager of Eldorado Gold Mines, will be leaving the property, at Great Bear Lake, any day now and that upon his return an official statement of progress will be made to shareholders.

Officials state that the reason a progress report has not been forthcoming as to the company's activities is that necessarily the communications are infrequent and each day's work continues to expand the find made. Not until the summer's work is completed could a complete picture of the progress made be reported. Spectacular samples of the high grade silver and radium ore, encountered in this summer's development work, on display at the Canadian National Exhibition, provoke divergent opinions as to commercial possibilities. From the No. 2 vein are samples of pitchblende and high-grade silver, while from the Bonanza claims, six miles to the south of the No. 3, or original find, is a sample of leaf silver. There can be no denying that the samples shown are spectacular, but until there is an official report of the progress made and an estimate of definite tonnages available, little will be known of the potentialities of the property.

An engineer from the Mines Department, Ottawa has been at the property this summer, and upon his return doubtless an official statement by government authorities will also be available.

Company Not Selling Stock

Rumors that the company is selling treasury stock, taking advantage of the current market, are not confirmed by information obtained by The Financial Post as at December 31, last, 2,556,646 shares were outstanding out of the 3,000,000 shares authorized. Since that time 86,614 shares have been issued, 60,000 of which have been issued to Shirley R. Cragg in consideration of turning in three claims staked by him, adjoining the company's original staking at LaBine Point, Great Bear Lake. Since these claims have indications of carrying the extension of No. 1 and No. 2 veins, the value placed on the claims by Mr. Cragg at the time the negotiations were consummated is regarded by directors as quite low since Eldorado shares were then selling at about 10 cents each, giving a value of $6,000 to the shares. In addition to this block of stock, 25,614 shares have been issued to 21 groups, who paid from 35 to 75 cents per share for it. In explanation of this, officials state that these allotments do not represent sales this year, but rather applications made in previous months which are only now being paid up, and the stock allotted.

There still remains approximately one-quarter of a million shares in the company's treasury. Under terms of an agreement with Gilbert A. LaBine, managing director, he is to receive 10 per cent interest in all the claims staked on behalf of the company. It is understood that this 10 per cent interest is to be paid for by an issue of treasury stock. At the time of incorporation, Mr. LaBine was issued 1,500,000 shares for turning in the company's original claims to the company. Of these 1,500,000 shares, he made allotments to certain groups for services rendered retaining 339,369 shares in his own name.

Ontario Mine Output $50,997,740 in 6 Mos. Record Gold Output

Kirkland Lake Camp Leads Porcupine for First Half Yearly Period — Individual Gold Mines Show Gains in Ontario Survey

The total value of the mineral production from Ontario mines, smelters, and quarries during the first half of this year was $50,997,740 as against $58,236,562 in 1930, or a decrease of 12.4 per cent. Metals decreased from 43.5 millions to 38.3 millions. Non-metallics showed only a slight decline, while structural materials and clay products dropped from 10.5 millions to 8.5 millions of dollars. The table which follows gives comparative figures for 1930 and 1931:

Ontario's Mineral Production

Product	Unit	Quantity (6 months) 1930	Quantity (6 months) 1931	Value (6 months) 1930 $	Value (6 months) 1931 $
Metallic					
Gold	ounces	837,047	996,922	17,337,123	20,608,195
Silver	ounces	5,121,749	3,561,006	2,108,172	985,538
Platinum metals	ounces	26,775	44,988	1,155,635	1,322,979
Copper, metallic and in concentrates	lb.	59,812,064	62,058,256	7,392,371	5,740,358
Copper in matte exported (a)	lb.	8,542,734	3,719,023	1,067,841	241,736
Nickel in matte exported (a)	lb.	21,313,584	22,768,912	3,836,445	4,098,404
Nickel in oxides, residues and salts	lb.	2,152,992	1,903,171	718,587	663,271
Nickel, metallic	lb.	33,799,941	16,018,479	9,158,826	4,285,456
Cobalt metal contained in oxides, salts, and material exported	lb.	325,727	295,822	598,007	361,600
Bismuth	lb.	5,799	7,331	3,031	4,089
Lead, pig	lb.	1,550,771	684,444	86,437	30,160
Zinc in concentrates	lb.	1,878,594	....	73,491	....
Selenium	lb.	....	5,835	....	11,086
Total		....	....	43,535,966	38,352,872
Non-Metallic					
Actinolite	tons	34	7	437	80
Arsenic (white and other forms)	lb.	1,554,903	2,108,076	61,531	82,224
Diatomite	tons	....	6	....	84
Feldspar	tons	4,775	1,975	56,411	23,534
Fluorspar	tons	20	....	350	....
Graphite	tons	1,129	383	69,919	21,198
Gypsum	tons	50,056	31,358	409,562	227,546
Iron pyrites and sulphuric acid (b)	tons	2,033	3,821	21,273	38.210
Mica	tons	182	385	15,578	15,270
Mineral water	Imp. gals.	124,558	142,700	9,031	9,571
Natural gas	M. cu. ft.	4,717,000	4,355,000	2,536,000	2,613,000
Petroleum	bbls.	55,041	62,070	112,223	112,401
Quartz and quartzite	tons	37,335	50,427	66,670	81,957
Silica brick	M.	378	459	19,120	21,832
Salt	tons	135,006	104,592	743,122	838,336
Talc	tons	6,822	5,856	79,369	59,625
Total		....	....	4,200,596	4,144,868
Structural materials (c)		....	....	7,800,000	6,300,000
Clay products (c)		....	....	2,700,000	2,200,000
Grand Total		....	....	58,236,562	50,997,740

(a) Copper and nickel exported in the form of matte valued at 12½ and 18 cents per pound, respectively, in 1930, and at 6½ and 18 cents in 1931.
(b) Sulphur content of ore, and also of acid recovered from sulphur fumes.
(c) Estimated on the basis of building permits issued and contracts awarded, also from monthly reports by the larger producers.

The gold production from Ontario for the half year reached a total of $20,608,195, the greatest on record. This is the first half-yearly period in which the value of the output of bullion from the Kirkland Lake camp has exceeded that of the Porcupine camp, and it would appear that the mounting production from the former camp would enable it to hold the premier position in Ontario. It might be pointed out, however, that the maximum half-yearly output from the Porcupine camp was that of 1926 when bullion to the value of $12,230,055 was marketed.

An examination of the detailed figures of production in the table will show that both Porcupine and Kirkland Lake improved their position as compared with the first six months of 1930.

The table which follows shows details of output by the principal mines for the first and second quarters, with comparative figures by groups for the first half of 1930:

Crude Bullion Shipped*

Source	Ore Milled, Tons	Gold Value	Silver Value
Porcupine	1,228,814	8,690,867	34,846
Kirkland L.	591,807	8,333,000	27,053
N.W. Ontario	26,271	111,266	750
Misc.	....	168,154	....
Total (6 mos, 1930)	....	17,337,123	....

*In addition to the values given exchange premium amounted to $2,986.61.

PORCUPINE

Coniaurum

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	33,785	32,160	122,972
Total rec. $	198,418	147,753	738,941
Rec. per ton $	5.86	5.43	5.99
Tons daily	371	354	342
Costs per ton:			
Operating	...	...	550
Total	...	...	650

Dome

	2nd quar. 1931	1st quar. 1931	Total 1930*
Tons milled	137,100	132,400	67,600
Total rec. $	946,627	858,081	774,943
Rec. per ton $	6.90	6.48	6.16
Tons daily	1,506	1,470	...

*About 60 days operation only, following reconstruction after a fire. Recovery principally from clean up.

Hollinger

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	412,685	400,458	1,625,868
Total rec. $	2,298,795	2,331,113	10,262,950
Rec. per ton $	5.57	5.82	6.32
Tons daily	4,535	4,400	4,515
Costs per ton:			
Operating	...	...	4.10
Total	...	...	4.17

March Gold

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	15,351	14,712	53,953
Total rec. $	57,662	57,343	306,266
Rec. per ton $	3.75	3.90	5.68
Tons daily	169	163	149

McIntyre-Porcupine

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	140,695	130,940	565,510
Total rec. $	1,075,922	1,176,591	4,696,579
Rec. per ton $	7.65	8.98	8.32
Tons daily	1,546	1,454	1,570
Costs per ton:			
Operating	...	...	*4.64
Total	...	...	*6.32

*Fiscal year ended March 31, 1931.

Vipond

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	25,802	25,672	114,667
Total rec. $	154,110	174,536	909,414
Rec. per ton $	5.98	6.80	7.92
Tons daily	283	286	318
Costs per ton:			
Operating	...	...	*8.07
Total	...	...	*9.06

*Fiscal year ended July 31, 1930.

Lake Shore

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	204,168	186,844	550,501
Total rec. $	2,737,935	2,325,010	7,854,444
Rec. per ton $	13.41	12.44	14.25
Tons daily	2,244	2,075	1,530
Costs per ton:			
Operating	...	...	6.43
Total	...	...	7.52

Kirkland Lake Gold

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	13,159	11,635	52,106
Total rec. $	138,888	145,622	533,851
Rec. per ton $	10.55	12.52	10.24
Tons daily	145	129	145
Costs per ton:			
Operating	...	...	8.83
Total	...	...	8.83

Sylvanite

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	22,753	20,610	81,213
Total rec. $	222,780	222,674	794,459
Rec. per ton $	9.79	11.10	9.80
Tons daily	250	228	225
Costs per ton:			
Operating	...	...	*7.82
Total	...	...	*8.76

*Fiscal year ended March 31, 1931.

Teck-Hughes

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	115,200	87,810	338,555
Total rec. $	1,671,891	1,512,167	5,398,231
Rec. per ton $	14.50	17.25	15.90
Tons daily	1,266	976	940
Costs per ton:			
Operating	...	...	*6.59
Total	...	...	*7.22

*Fiscal year ended August 31, 1930.

Wright-Hargreaves

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	65,750	63,510	220,430
Total rec. $	714,362	709,091	2,432,888
Rec. per ton $	10.86	11.26	11.03
Tons daily	722	706	612
Costs per ton:			
Operating	...	...	6.01
Total	...	...	7.75

MISCELLANEOUS MINES

Barry-Hollinger

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	8,086	7,734	31,725
Total rec. $	54,193	60,088	217,736
Rec. per ton $	6.70	7.78	6.87
Tons daily	89	86	88
Costs per ton:			
Operating	...	...	7.47
Total	...	...	7.47

Howey

	2nd quar. 1931	1st quar. 1931	Total 1930
Tons milled	50,035	41,933	110,438
Total rec. $	208,004	183,174	460,857
Rec. per ton $	4.16	4.37	4.17
Tons daily	550	466	410
Costs per ton:			
Operating	...	*...	4.25
Total	...	*...	5.55

*In first four months of 1931 operating costs were $3.87 and total costs $5.08.

Minto Gold

	1st quar. 1931*
Tons milled	987
Total rec. $	4,808
Rec. per ton $	4.94

*Operations with a 50-ton mill started in June 1931.

TASHOTA G. MINES ARRANGES FINANCES

New York Interests Are to Provide Funds For Further Work

Tashota Gold Mines is to be financed for further development through New York interests, officials have announced.

Following the Stobie, Forlong & Co. liquidation, financial sponsorship ceased and development operations were suspended, and until the present time efforts to secure funds to resume have not been forthcoming.

The company's property consists of eight claims, approximately 240 acres, in the Kowkash mining area of Ontario, 320 miles west of Cochrane and about 14 miles south of Tashota Station on the C.N.R. Over 5,000 feet of diamond drilling has been done on the property and a two-compartment shaft sunk to a depth of 200 feet with levels established at 100 and 200-ft. horizons, and plans now call for further exploring these levels.

The company has an authorized capitalization of $4,000,000 in $1 par value shares of which 1,997,535 are outstanding.

RENO GOLD OUTPUT $14,425 IN JULY

Adds Equipment to Speed Development Work and Increased Tonnage

July gold production by Reno Gold Mines, operating a pilot mill at its property in Sheep Creek, south of Nelson, B.C., amounted to $14,425 from 944 tons of ore treated, an average of 30 tons a day and an average recovery of $15.30 per ton. This compares with a recovery of $16,337 from 909 tons treated in June when the average recovery was $18 per ton.

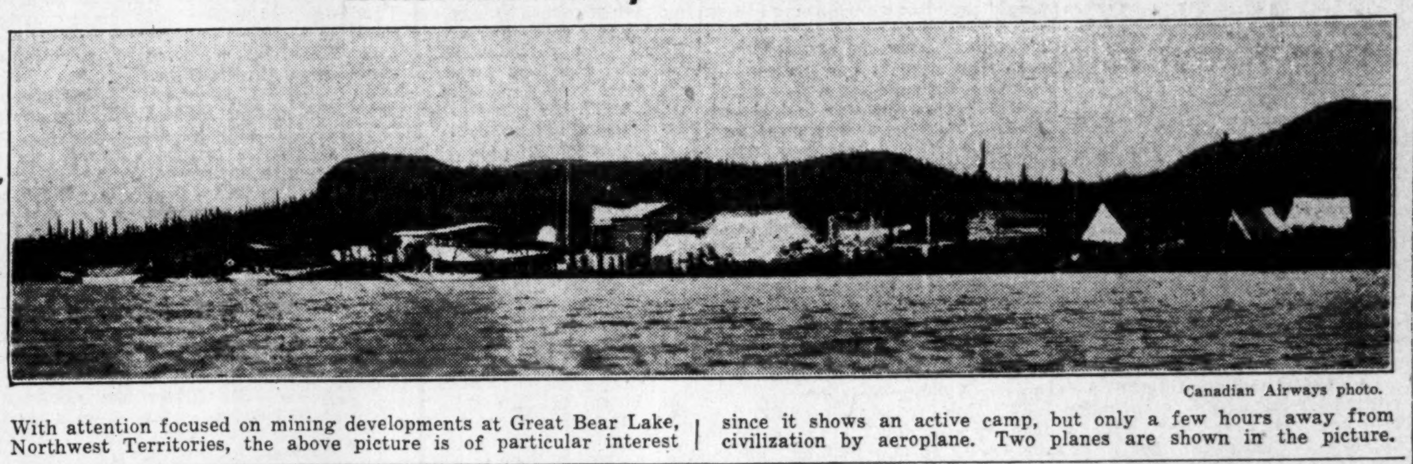
Development work is proceeding on Nos. 1, 4 and 5 levels and has now reached the point where the company considers it safe to add more equipment. Recently a new oil engine driven compressor was added so that development work can be intensely prosecuted in order to shorten the time when the mill can be enlarged to handle a greater tonnage.

Ore Receipts at Trail

Following is a statement of ore receipts at the Trail smelter, for the period Aug. 15 to 21, 1931, inclusive:

	Period	1931 to date
Bell, Beaverdell	52	1,285
Butcher Boy, Carmi	—	33
J. A. Carter, Zwicky	—	9
Catherine, Nelson	—	16
High. Lass, Beaverdell	50	151
Knob Hill, Republic	—	549
Little Daisy, Silverton	—	2
Midnight, Rossland	—	65
O'Brien, Cobalt	—	293
Planet, Nicola	—	105
Redmond, Republic	—	38
Ruth, Sandon	—	128
Sally, Beaverdell	—	111
Silversmith, Sandon	—	120
Union, Lynch Creek	40	1,093
Wellington, Beaverdell	—	411
Wilcox, Ymir	—	48
	142	4,351
Total custom ore, week		142
Total company ore, week		6,547
Grand total, week		6,689
Total custom ore, yr. to date		4,351
Total com'y ore, yr. to date		297,842
Grand total, year to date		302,198

Eldorado Camp at Great Bear Lake



Canadian Airways photo.

With attention focused on mining developments at Great Bear Lake, Northwest Territories, the above picture is of particular interest since it shows an active camp, but only a few hours away from civilization by aeroplane. Two planes are shown in the picture.

ROAN-ANTELOPE REPORTS OUTPUT FROM NEW PLANT

Quarterly Report Shows First Unit of New Plant Went Into Operation June 1

Quarterly report of Roan-Antelope Copper Mines for the three months ended June 30, 1931, says the first ore from the mine was hoisted through the Beatty shaft on May 21 and beginning June 1, the first unit of the concentrator went into continuous daily operation, followed by the second unit on June 25. The other three units of the concentrator are practically completed and will be ready to run when needed.

In June, a total of 39,175 tons of ore assaying 3.81 per cent copper, of which 3.35 per cent was sulphide, was treated, producing 1,818 dry tons of concentrates assaying 53 per cent copper or a concentration ratio of 17.59.

A main haulage level has been established at 420 ft., with the Beatty the main production shaft. Work has been started to sink the No. 3 shaft from the 420-ft. to the 620-ft. level. At the smelter construction continues, but no concentrates have yet been treated.

The starting of the concentrator at the Roan-Antelope inaugurates the treatment of copper ore in Northern Rhodesia. The Bwana M'Kubwa operated a concentrator on oxide ore for four years, but closed down last year pending the opening of its new plant at N'Kana, now controlled by the Rhokana Corporation. The Rhokana operation is expected to be the next Northern Rhodesia copper plant to start operation.

NICKEL INDUSTRY WELL MAINTAINED IN LAST PERIOD

Second Quarter Shows Value of Platinum Metals Important

The plants of the International Nickel Company are at present operating at about one-third their rated capacity, which is sufficient to meet the demands of the depressed markets now obtaining. Ore handled by the smelter of Falconbridge Nickel, averaged over 300 tons a day toward the end of the period.

The outlook for nickel is closely related to the demand for steel for construction purposes and also in many manufacturing lines, particularly for motor cars. As both the steel and motor industries have not improved as rapidly as anticipated, the sales of nickel have been retarded. The copper market also bears directly on this industry, inasmuch as International Nickel is now an important low-cost producer of that metal.

The refining and production of the metals of the platinum group is now carried out by a subsidiary of International Nickel at Acton, England. This plant has been enlarged and was formally opened on April 23. The capacity now is 300,000 ounces of high purity platinum metals per annum, and when this production is reached Ontario will have attained world leadership in the production of these metals. The total output from this plant in 1930 was 71,260 fine ounces as against 30,513 ounces in 1929, the major portion of which came from Canada.

The refining of copper in Ontario by the Ontario Refining Company, commenced at Sudbury in July, 1930. During the first six months of this year the company received 61,584,834 pounds of blister copper from Ontario, Manitoba and British Columbia, of which 51,360,828 pounds was from Ontario, and treated 62,796,411 pounds. The recovered electrolytic copper totalled 63,918,157 pounds in addition to 27,764 ounces of gold, 1,316,168 ounces of silver, and 8,335 pounds of selenium. The copper was manufactured into 40,663,600 pounds of wire bars, 3,453,082 pounds of ingot bars and 5,106,808 pounds of small ingots.

The following tabulation shows the nickel-copper ore mined and treated in the first and second quarters, together with the products of this ore:

Ontario Nickel-Copper Production

	1st quar. 1931	2nd quar. 1931
Ore raised, tons	453,203	507,551
Ore treated, tons	535,861	541,300
Matte prod., tons	32,060	28,628
Copper cont., tons	13,564	11,265
Nickel cont., tons	11,797	11,357
Matte exp., tons	9,274	7,872
Copper cont., tons	890	969
Nickel cont., tons	6,273	5,111
Matte ref. in Can. tons	30,358	24,694
Ref. nickel, tons	4,142	3,867
Value, $	2,206,658	2,078,798
Nickel oxide, lbs.	939,522	1,469,699
Value, $	237,042	415,488
Converter copper, tons	13,178	18,525
Value, $	2,462,683	3,155,517
Gold, $	84,879	169,777
Silver, oz.	244,029	209,920
Value, $	68,328	51,363
Platinum metals, oz.	*.....	44,988
Value, $	*.....	1,322,979

*Grouped for first 6 months.

Cibuck Copper Changes Name

Cibuck Copper Mines proposes changing its name to Diamond Lake Gold Mines, following the acquisition of a group of six claims in the Kirkland Lake area.

Quebec States Metal Output Lower in July

Quebec metal production for July was 23,474 oz. gold, 36,902 oz. silver, and 5,116,266 lbs. copper.

The value of the gold production at $20.67 per oz. is $485,207. Allowing miscellaneous production including Granada-Rouyn, Siscoe and Venus, contributing a total of $105,000, leaves approximately $380,000 which may be accredited to Noranda, while practically all the copper production may be accredited to Noranda.

This would indicate that Noranda's July production was slightly down from the average of the previous six months, during which time the average gold production was approximately $435,000 and the average copper production 5,300,000 lbs. This does not necessarily signify that production is being curtailed, since all properties show a variation in production from month to month.

GALATEA GOLD HAS DUPARQUET CLAIMS

Initial Development Shows Wide Low Grade Ore Similar to Beattie

From Our Own Correspondent

ROUYN. — Galatea Gold Mines is the name of a syndicate organized for the purpose of taking over and developing a gold prospect consisting of 27 claims in Duparquet township, Quebec, about 3½ miles from the provincial highway north and west of Noranda Mines.

The gold-bearing shearing on the Galatea has been traced for approximately 7,500 ft. in length. Surface trenching has disclosed widths similar to those disclosed on the neighboring Beattie, upwards of 100 ft. Although detailed sampling has not yet been completed, channel sampling so far completed has yielded an average of close to $4 to the ton. A report by the Geological Survey states: "The claims were diamond drilled and large tonnages of low-grade gold ore are reported to have been blocked out."

The company is headed by Hugh C. McRae, pres. and treas.; with John Allan, sec.; Daniel Jarvis and Chas. E. Rea, directors. Head office is New Liskeard, Ont.

Geological Map Issued Covering Quebec Area

The Geological Survey, Department of Mines, Ottawa, has issued a geological map, No. 271-A, of the Rouyn-Hurricanaw area, Quebec, covering the area extending from the Ontario-Quebec boundary east to Louivicourt, Pascalis, Courville and Carpentier townships.

The map sheet will accompany Memoir, No. 166, on the area by the department's engineer, which will be published shortly, and a copy may be obtained by application to the director of Geological Survey, Department of Mines, Ottawa.

Model Oils Pass Dividend Total Distribution $49,230

Model Oils, operating in Turner Valley, Alberta, which inaugurated dividends on a basis of 12 cents annually early this year, has announced they are to be discontinued pending definite regulations of production from the wells.

An initial dividend of three cents per share was paid on March 15, last, and another on June 15, distributing a total of $49,230.

Production in July from the company's one well, was 5,064 barrels of crude oil and discolored naphtha, as compared with 4,956 barrels in June. Total production for the first seven months of the current year has been 30,262 barrels of crude oil and discolored naphtha and 6,068 barrels of crude naphtha.

Acme Gas Has New Well Eighth in Norfolk Twp.

Acme Gas & Oil Co. has announced the bringing in of its eighth gas well, known as Blakely No. 8, in Middleton township, Norfolk county, Ontario, having an initial flow of 250,000 cu. ft. of gas daily.

The combined daily capacity of the eight wells brought in, is in excess of 2,750,000 cu. ft. daily. A ninth well is now drilling in the same township, known as Swinn No. 9.

Production is sold to the Dominion Natural Gas Co., which is laying a pipe line to the field, planned for completion in a few days.

Atlas Gold Property Acquired by A. J. Young

The property formerly owned by the Atlas Gold Mines, known as the Jefferson group of 4 claims, in the Wasapika section of West Shining Tree area, Ontario, have been acquired by A. J. Young, Toronto mining man.

A shaft was sunk to a depth of 150 ft. on a spectacular high grade showing. No work has been done since 1927, and the property recently fell under a sale of execution for $5,000.

Merchandise, Foodstuffs Trucks Big Customers

Fruit Carloads Disappear as Highways Spread Out Across Ontario—Livestock Also Favors Roads in Increasing Volume

By KENNETH R. WILSON

Fourth in a series discussing the Truck and Railway problem in Canada

On the basis of data which it has been collecting since last April, Ontario is shortly to issue a list of all public commercial vehicles operating on the highways and is also to publish a regular tariff of rates which these carriers may charge for the various specific services for which they are licensed. This will be the first attempt made by any Canadian province to curb or control in any comprehensive manner this newcomer into the field of transportation, and its success will be watched with unquestioned interest not only by shippers in all parts of Canada, but also by all transportation interests both here and in the United States.

In previous articles it has been seen that Canada's truck population is doubling every five years and that during 1930 alone, business represented by something like $100,000,000 of revenue that would otherwise have gone to steam railways, found its way on to highways via the motor truck. Subsequently it was told how Canadian express companies, all of which are owned or controlled by the large railway companies of the Dominion have made the most drastic rate revision in their history in an attempt to meet this new competition which has been draining away their most profitable business in the past few years.

Before discussing the broad principles involved in this vital transportation problem and the pros and cons of the regulation and taxation of motor trucks, further aspects of the situation are important, namely an appreciation of the ramification of trucking and the attitude of Canadian railways to this competition. Subsequently it will be valuable from a Canadian point of view to get a glimpse at the manner in which British, German and United States railway companies are meeting this problem and particularly the opinions of leading executives in the latter country where the development of trucking has advanced to a considerably greater degree than in Canada.

Data Not Complete

Both in Canada and the United States much difficulty is found in estimating in any accurate or comprehensive manner the actual volume of business being diverted to the truck. Some railway men claim they know but don't care to talk about it. Others admit frankly that they have only a more or less indefinite idea but they do know that every day they are losing a large volume of business in such diverse lines as livestock, furniture, fruit and vegetables, cheese, beer, sand and gravel and general merchandise to the trucks.

One of the biggest lines diverted almost exclusively to trucks in recent years, particularly around the well-settled, highway-threaded areas of Southern Ontario, is fruit and vegetabes. Take apples, for instance. A report published a few weeks ago by the Department of Agriculture at Ottawa on Canadian apple crop production and distribution, traces the carlot movement of apples from Ontario and British Columbia to Toronto during the past six years. Arrivals from British Columbia which must be carried by railroad, are found to be fairly steady, while carlot arrivals from Ontario show a steady decline and for 1930 are less than 50 per cent of the 1926 figure. "A similar situation prevails with other fresh fruit products," says the report, "and very heavy decreases have occurred in carlot arrivals of pears, plums and other fresh fruits produced in Ontario." Proof of this is available also from records of car arrivals of Ontario produce on the Toronto market during the same period, which show that whereas five years ago some 80 carloads of fruits and tomatoes arrived at Toronto, last year there was only one carload during the entire year. The figures for fruits are as follows:

Commodities	1926	1927	1928	1929	1930
Cherries	4	6	0	0	0
Grapes	36	3	1	0	1
Pears	6	5	1	0	0
Plums	7	2	1	0	0
Raspberries	2	11	0	0	0
Strawberries	3	4	0	0	0
Tomatoes	21	46	0	2	0

In the United States a similar experience has been found by regional surveys conducted by the Department of Agriculture. Los Angeles in 1929, for instance, was found to receive 56 per cent of its farm produce by truck, while exclusive of canning products, 66 per cent of southern Indiana's movement of fruit and vegetables was by truck as early as 1928. From the receiving end, figures are equally impressive, with 73 per cent of fruit and vegetables marketed in the New York city district from the surrounding area arriving by truck and 18 per cent of fruit and vegetables from all sources being so transported.

Livestock Goes by Truck

Two other interesting examples are livestock and milk. Last year one-third of all livestock entering the Union stock yards at Toronto came in by truck. Within a radius of 150 miles, an aggregate that was equivalent of nearly 3,800 carloads was lost to railroads, the specific figures for truck receipts being 39,648 cattle; 35,601 calves; 68,255 hogs and 68,255 sheep. This constitutes about one-half the entire meat supply of that city and was business that until recently went entirely to railways. With milk the truck has gained even more headway with the result that big cities in districts fed by good highways receive virtually all their milk by truck which is collected right at the farmer's front door and driven straight to the dairy. Toronto, for example, is served in this manner every day by some 150 trucks bringing in milk from farms within a radius of 150 miles which means from Goderich on the west to Napanee on the east.

Again U. S. experience here is illuminating and shows 17,000,000 head of livestock valued at $470,000,000 hauled by truck in 1930—a 17 per cent increase over 1929. In ten years, sixteen leading cities of the corn belt where most of that country's livestock are marketed, report truck receipts to have jumped from between 1.7 and 7 per cent of the total, to from 13 to 28 per cent of the total.

Further light on the type of business done by trucks is given in an analysis by the general manager of the Chicago, St. Paul, Minneapolis & Omaha R. R. which shows the composition of the business handled by the motor truck line operating as a subsidiary of his railway out of Sioux Falls, S.D., and which may be taken as typical of what is going on in many cities of like population and served by a good system of state or provincial highways. The percentages are as follows:

Composition of Business Handled by Motor Trucks

	Per Cent
Groceries	32.8
Fresh fruits & vegetables	19.4
Hardware & electrical supplies	6.9
Auto tires & accessories	5.6
Cream	4.7
Meats & fish	4.4
Oil	3.8
Miscellaneous	3.6
Roofing material	2.7
Beverages	2.6
Empty containers	2.2
Wrapping paper & bags	1.8
Lumber (unmanufactured)	1.7
Alcohol	1.4
Furniture	1.2
Gas in cylinders	1.1
Drugs & chemicals	1.1
Feed	.9
Tobacco	.7
Oyster shells	.6
Gasoline	.4
Dry goods & laundry	.4
Total	100.0%

Another interesting phase of trucking is the average length of haul which has been found practicable. This depends to a great extent on the area served and on local conditions but, broadly speaking, the maximum practical distance present seems to be from 150 to 200 miles. This precludes, for instance, a truck haul between Montreal and Toronto, and includes a haul such as from Toronto to Windsor which is probably the most-used route of similar distance in Canada today. Figures prepared on the basis of truck routes now operating out of leading cities where truck traffic is sufficient to warrant a generalization, show the average haul to be from 20 to 50 miles.

Finally, some reference to the many types of trucks being operated is of value in obtaining a perspective of the situation as it applies both to those who have goods to ship and to those who, like railways and truckers, are in the shipping business. As shown in previous articles, between 5 and 8 per cent of all trucks operating on the highways are "common carriers." In Canada this figure probably includes also the so-called "contract" carrier who operates only as the agent for one or more companies but does not work for others.

Another 20 per cent are probably exclusively farm trucks and the remainder are independent or privately-owned trucks, a great percentage of which are operated by large corporations such as Robert Simpson Co. and T. Eaton Co., Loblaw Groceterias and Dominion Stores, Canada Bread and other big bakeries doing a province-wide business, and so forth. In the United States there are three score of such companies who have over 1,000 trucks each, while several companies have fleets of 10,000 or over.

Other Minor Divisions.

Other groups which in many cases overlap these three groups reveal large amounts of business being handled by such types as merchant truckmen, commission merchants' trucks, jobber trucks and retail merchandizing trucks—all offering their peculiar angle to the general and increasingly serious problem of how this new form of transportation shall be effectively handled.

For instance, experience in New York indicates the feasibility of refrigerator trucks, and in that city alone, seven of the main trucking terminals are equipped with refrigerator service for carrying such perishables as meat, cheese, butter, eggs, lettuce and so forth. Then, there are the jobber truckmen employed for years by such firms as Fleischmann Co. for the distribution throughout the country of its yeast. A few years ago such a truck was something of a phenomena—now they serve wide areas in the more settled parts of Canada and in their particular way add their contribution to this highly complicated problem.

Farm trucks and those devoted to the movement of foodstuffs are by far the most important total of all groups and on the basis of United States figures are said to comprise 40 per cent of all trucks registered in the country. Of this total, a little more than half are owned exclusively by farmers the remainder being used by other agencies for the movement of food.

Of the public carriers, which furnish the most serious threat to steam railway transportation on account of their direct influence on rates, it is estimated that about 60 per cent of their business is in merchandise freight the remainder being divided as follows: agricultural products, 7 per cent; animal products, 10 per cent; minerals about 10 per cent and forest products less than 5 per cent. These figures vary, of course, with different sections of the country but give some idea of the scope of the public commercial vehicle from this particular angle.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

Progress Report—Week Ending August 29, 1931

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled	Remarks
S. Lowery	3	R.	5178	5178	...	Standing cemented.
Sterling Pac.	2	R.	3446	3669	223	Drilling in Lower Dakota.
Lethbridge	1	S.	3500	3556	56	Casing lowered to 3,513 ft. underreaming

Note: R.—Rotary. S.—Standard.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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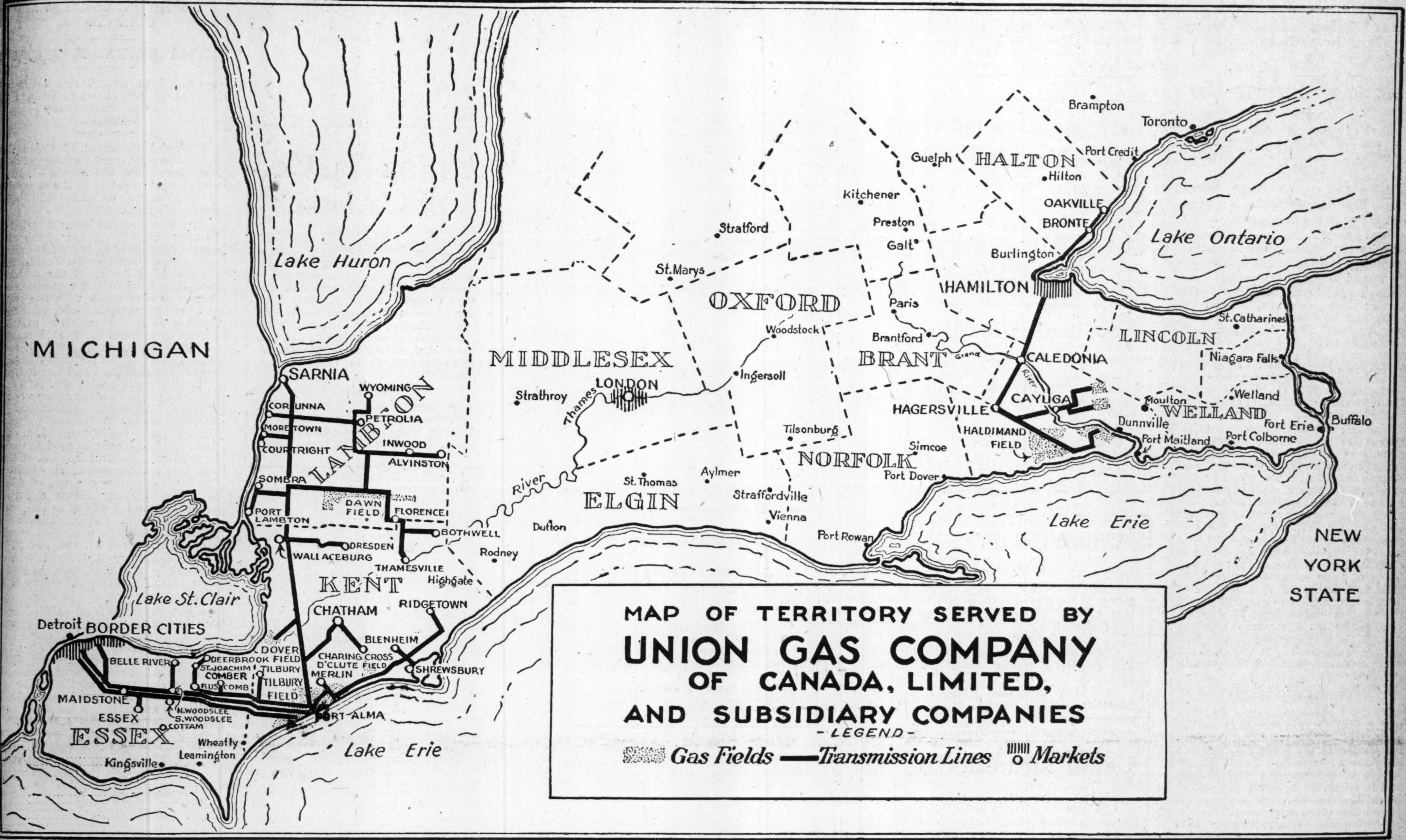
Union Gas Co. Builds to Aid Western Ontario Growth



This map shows the pipelines owned and municipalities served by the Union Gas Co. of Canada and its controlled companies, Windsor Gas Co., which serves Windsor, East Windsor, Walkerville, Sandwich and adjacent places; United Fuel Investments, which controls United Gas & Fuel Co., Hamilton, the United Suburban Gas Co. and Hamilton By-Product Coke Ovens; and City Gas Co. of London. The joining of these companies has made the Union Gas Co. the third largest utility of its kind in Canada, being exceeded in size only by the companies serving Toronto and Montreal. Port Alma, which is designated near the lower left of the map, is important in that here is located the purifying plant and field compressor station of the Union Gas Co. All the gas from the Tilbury field goes through this plant and virtually all the sulphur is removed in the process.

Union Gas Co. Among Largest In All Canada

70,000 Customers Served in Hamilton, London, Western Ontario

FUTURE SEEMS ASSURED

Expansion to Take Place Both in Natural and Manufactured Product—Franchise Situation is Strong

Union Gas Co. of Canada and its subsidiaries serves cities, towns and rural communities having a population in excess of 500,000. It has 70,000 customers. The annual production of natural and manufactured gas is 6,000,000,000 cubic feet, 280,000 tons of coke and large amounts of marketable by-products.

Revenues in the fifteen-month period ended March 31, 1931, a period of business depression which included an exceptionally mild winter, were over $8,000,000. The capital stock of the company has a market value of approximately $7,050,000. In addition, the public has invested $13,600,000 in the bonds and preferred stock of subsidiary companies.

Gas Reserves Large

Gross assets are in excess of $37,000,000. Properties are valued at $33,500,000, less depreciation approaching $5,000,000. Developed natural gas reserves, which do not show in the balance sheet, are estimated at 100,000,000,000 cubic feet; on the conservative basis of 10 cents per thousand cubic feet this would add $10,000,000 to the company's assets.

From a company which was known only locally in the district it served and to a group which was interested in its stock principally as a speculation, Union Gas Co. of Canada in the last two years has emerged into prominence as one of the important public utilities of the country.

Five years ago the future of the natural gas industry in Southwestern Ontario was considered dubious. Today it is estimated that the gas developed will supply an expanding market

(Continued on page 21)

Union Company Brings Adequate Gas Supply To Service of Important Commercial Area

Gas, Once Thought Waning Industry, Becomes Vital to Progress

Gas as the servant of mankind and as a commercial commodity has been known for a century. Originally seen as an illuminant, the early gas companies paid little attention to the heating field and practically none at all to the industrial field.

As gas rendered obsolete the wax and tallow candle, electricity displaced gas. And about the time that electricity became civilization's illuminant, gas companies in many communities fell into ill repute. The manufacturing companies often had relied too much on public demand, to take heed of competitive services and those companies which had been distributing natural gas were unable to find adequate sources of supply.

Gas, it was felt, was a waning industry.

Is Expanding Industry

But it is now an expanding industry. Gas is finding hundreds of new uses in industry. It is holding its position in competition with electricity in cooking and heating water in the homes. It is becoming a more popular fuel in the heating of homes.

Manufacturing processes in the gas industry have been improved; costs are reduced. The supply of natural gas, instead of waning, is increasing. Costs to consumers are being lowered by the development, with the encouragement of the gas industry itself, of the construction and sale of economical appliances for the use of gas.

Never has an industry been in a sounder position to advance than is the gas industry today.

This statement applies to Canada as well as to the United States. As it applies to companies serving the two largest cities — Montreal and Toronto —so it applies to a company serving such a prosperous and progressive area as is embraced in that section of Ontario extending from the Detroit and St. Clair rivers eastward beyond Hamilton and including such cities as Windsor, Sarnia, Chatham, London and Hamilton.

Is Pioneer Company

Union Gas Co. or its predecessors were pioneers in the development of the natural gas fields of Southwestern Ontario. Union Gas has been persistent in the seeking for new production of natural gas and its persistence has been rewarded. Union Gas has taken the initiative in improving the service rendered to the cities in its logical territory. Union Gas has been aggressive in providing natural gas for Hamilton in order to supplement the service in that growing city when needed. Union Gas has acquired control of the City Gas Co., London, which potentially is a link in a connected distribution system extending from the western border to within twenty miles of Toronto.

United Fuel Investments, now controlled by Union Gas, in turn controls United Gas & Fuel Co., which distributes gas to nearly 20,000 customers in Hamilton. United Fuel also controls United Suburban, which serves prosperous communities between Hamilton and Oakville. Hamilton By-Product Coke Ovens, an important producer of coke and the source of supply of manufactured gas in Hamilton, is also controlled by United Fuel Investments.

Have No Major Problems

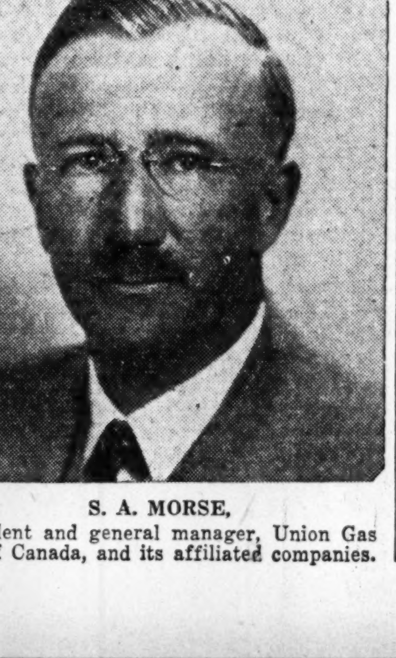
Union Gas and its subsidiaries have no major problems of production, distribution or management. It has at the moment a reserve of natural gas sufficient, perhaps, to last a generation and it is still drilling. It has hundreds of thousands of acres of promising lands under lease. And should the natural gas fail again, the company is in position to produce the manufactured gas in greater quantities in Hamilton, London and Windsor — three strategic points in its territory.

In distribution it is well developed. Transmission lines make a network over the counties of Essex, Kent and Lambton. Its Haldimand field is connected with Hamilton. Natural gas is transmitted 1,000 miles in the United States so that there is no difficulty in conceiving a line from the Border Cities through London to Hamilton.

Management is Experienced

In management, the company is excellently served. The principal executives have spent a lifetime in the business. On its directorate are men who have been identified with the natural gas business since its earliest beginnings in Ontario. In the manufactured gas and coke branch, in Hamilton, the management has been connected with this business in an engineering and managerial capacity for more than twenty years. On the various boards are men representative of the best fi-

Controls Union Project



S. A. MORSE,
president and general manager, Union Gas Co. of Canada, and its affiliated companies.

No Major Problems Face This Utility—Management is of Long Experience

nancial ability the country affords. Also there are men with the parent or subsidiary companies who are aware of local needs as well as watchful of the company's interest.

The predecessor of Union Gas Co. ten years ago was a producer of natural gas in uncertain quantities and it sold this product to local distributing companies which had difficulty in retaining the goodwill which is one of the most valuable assets of a public utility. Ten years ago last winter the headlines of Hamilton newspapers were principally about gas—the lack of it.

Great Progress in Ten Years

Today Union Gas Co. ranks third among the gas companies in Canada. There is no problem of supply in the Southwestern Counties. There now is a large measure of goodwill among consumers, who have been served well for a number of years. And the Hamilton problem has been solved by coke ovens and a modern distribution system and the coke ovens, by producing a high-grade domestic fuel, have helped with the eternal problem of fuel supply for Ontario.

In less than a decade this company has become vital to the industrial development in an area where live 500,000 people. Likewise it has become important in finance, for the investment, when the present plans are complete, will be in the neighborhood of $40,000,000.

If one has faith in the continued prosperity and development of a part of Canada which from the times of earliest settlement has been a leader in commerce and industry, one must have faith in this company, serving this district under competent management and financial direction.

Laws Protect Gas Sellers And Public

Ontario Government Supervises Whole Industry in Interest of Public

RATES PERMIT EXPANSION

Change in Ten Years Has Encouraged Development Which Has Enhanced Supply and Improved Service

Investment in gas companies, manufactured and natural, has been protected in Ontario by enactments of the provincial legislature. Protection of the investor enables these enterprises to finance at reasonable cost. The cost of financing is a part of the cost of production of gas. Hence, it is in the interest of the consumer that the investment in the property be safeguarded by the Government to a reasonable extent.

Consumers' Gas Co. of Toronto operates under a special charter and the provisions of that charter and the regulations as set forth by the lieutenant-governor-in-council have enabled that company to finance cheaply. Investors have a great deal of confidence in this company because of the attitude of the Government, because its management is excellent and because of the dividend record.

Union Gas Makes Progress

While the Union Gas Co. of Canada and its subsidiaries have not the advantage of operation under a special charter similar to that of Consumers' Gas, of Toronto, the laws relating to gas companies in general now are such that in course of time there seems no reason why the Union and its affiliated enterprises should not achieve a similarly eminent position in the realm of investment.

There was a time when there were virtually no restrictions on the production, distribution and sale of natural gas. It was then that there was appalling waste. The Welland county field, now not nearly so important in production as in former years, supplied a large part of the needs of Buffalo, N.Y. Natural gas was exported from Essex County to Detroit and Toledo.

(Continued on Page 21)

GAS COMPANIES WELDED INTO UNIT FINANCIALLY STRONG

Union Gas Co. Is Big Factor In Gas Market

One of Earliest in Field, Company Now Serves Many Communities

STOCK RECORD IS GOOD

Control of Company is Held in Canada—Further Financing is Expected

Union Gas Co. of Canada is the name of the company which is the biggest factor in the development of the natural gas fields in the southwestern counties of Ontario, owns important producing acreage in the Haldimand field and distributes natural gas through several counties, including the Border Cities, Chatham, Sarnia, Petrolia and Wallaceburg. In the last year it bought all of the capital stock of the City Gas Co. of London and acquired control of United Fuels Investments, Ltd., in Hamilton. United Fuel Investments is the holding company for United Gas & Fuel Co., Hamilton By-Products Coke Ovens, Ltd., and United Suburban Gas Co.

Volcanic Oil & Gas Co., of which Union Gas is the direct descendant, was one of the early companies developing the Southwestern Ontario fields. Eugene and D. A. Coste, who had met with considerable success in developing the Welland and Essex fields, were again attracted to the area at the other end of Lake Erie. Eugene Coste, a geologist who has been connected with many of the important gas fields in Canada, had the theory that the gas fields of Ohio extended under Lake Erie and embraced that portion of Southwestern Ontario extending from the western end of Lake Erie up beyond Lake St. Clair into Lambton County. It is interesting to note that the developments of the last 25 years have substantiated Mr. Coste's theories.

First Merger in 1911

By 1911 three companies had met with a considerable success in the Tilbury field. These were the Volcanic, the United Fuel Supply Co., and the Ridgetown Fuel Supply Co. It was desirable in the interests of efficiency and to eliminate wasteful competition in drilling on adjoining acreage, to consolidate these enterprises. This consolidation was brought about in 1912 with the organization of the Union Natural Gas Co. The Volcanic Oil & Gas continued as a holding company, owing 55 per cent of the stock of the Union Company. The other 45 per cent was owned by Buffalo and New York interests.

Until six or seven years ago the Union Natural Gas Co. was a producer and wholesaler of gas and was not a retailer excepting in the rural communities. Since that time, however, it has acquired the distributing companies in Windsor (serving the Border Cities), Chatham, Sarnia, Wallaceburg and Petrolia. The Windsor Gas Company had not been in a financial position to keep the gas system in a state of high efficiency. There were complaints also as to service in the other communities served by local companies not controlled by the Union Natural Gas Co.

Service is Improved

Since that time the gas service has been improved materially, first by increasing the actual and potential production from the fields by the consistent and persistent drilling of wells, and, secondly, by improvement in the actual distribution system.

New transmission lines have been built, and at Windsor the company now has storage facilities aggregating 2,000,000 cu. ft. and has an oil gas plant as a standby which is capable of producing on one hour's notice at the rate of 6,000,000 cu. ft. per day. With a duplicate pipe line serving the Border Cities a break in the supply of natural gas is improbable, but in any event the Border Cities can be served from the oil gas plant.

Volcanic Assets Distributed

In May, 1929, the shareholders of Volcanic approved the proposal of directors providing for the winding up of the company. The Volcanic assets, representing 55 per cent of the stock of Union Natural Gas, were distributed pro rata among the shareholders. This meant that for each Volcanic share was given 1.07 shares of the Union Company's stock.

The investment record of Union, especially since the restoration of the fields from 1924 onward, have been particularly gratifying.

In May, 1927, each old $25 par value share was exchanged for two new no par value common shares. The dividend on the new no par common stock was inaugurated at 35 cents per share quarterly. This was equivalent to $2.80 per annum on the old $25 par value shares. This dividend was continued until June, 1928, when the quarterly dividend was raised to 40 cents or at the rate of $1.60 per share per annum, equivalent to $3.20 annually on the old shares. This rate was continued until the end of the last fiscal period (March 31, 1931) when it was deemed expedient, in view of the continuance of the business depression, to make the rate 25 cents quarterly, or $1 per share annually.

In addition to these cash dividends the shareholders of Union Gas Co. were given opportunities to purchase new stock on favorable terms. In July, 1927, and April, 1928, shareholders were given the right to subscribe for new stock, first, at the rate of $15 for every seven shares held and, later, to subscribe for one new share at $20 for every ten shares held. After the two-for-one split and the issuance of these rights the stock held well in the market. In January, 1929, there was a third issue of stock—at $25 per share—in proportion of one new share for every eight held.

The Union stock for some years has been listed on the Toronto Curb and the New York Curb and there has been a fairly active market. Public investment interest has continually broadened, and it is understood that there are now about 4,000 shareholders in the parent company. The control has rested with Canadian interests.

Having consolidated the position from the points of view of production, transmission and distribution in the southwestern counties, the Union Natural Gas Co. in 1930 expanded toward the east in the southwestern peninsula of Ontario. In August of that year it acquired all of the issued shares of the City Gas Co. of London, a company which has had a long record of successful operations. It has approximately 14,000 consumers and serves under a perpetual franchise a population in excess of 75,000. This market is supplied at present by a coal gas plant and a standby water gas plant, both of which are owned and operated by the London company. The gas holder capacity is 600,000 cu. ft. Further development, it is intimated, will be carried out.

Control of United Fuel Investments was acquired as of July 31, 1930, by an exchange of common stock. There were 100,000 shares of common stock of United Fuel Investments outstanding. Of these, Union Gas Co. up to the present time has acquired in excess of 99 per cent. The basis of exchange was 6/10 of one share of Union Gas plus 24 cents for each share of United Fuel Investments.

United Fuel Investments owns all of the outstanding capital stock of United Gas & Fuel of Hamilton and its associated companies, Hamilton By-Products Coke Ovens, Ltd., and the United Suburban Gas Co.

Hamilton Company Has Long History

United Gas & Fuel and its predecessors have been serving Hamilton, which now has more than 150,000 population, for more than 80 years. The record of growth has been satisfactory. Prior to 1921 the company distributed both artificial and natural gas. Hamilton By-Products Coke Ovens came into existence in 1921 to supplement the supply of manufactured gas previously distributed in that city, as the supply of natural gas appeared to be limited. The coke ovens have a capacity of 255,000 tons per year as well as large quantities of by-products.

The third company in the Hamilton field is the United Suburban Gas Co. This was organized in 1929 for the purpose of distributing gas to Oakville, Burlington Beach, Bronte, Nelson and Trafalgar. Up to the present time a transmission line of 25 miles, extending from Hamilton along the shore of Lake Ontario to Oakville, has been completed and gas from the Hamilton plant is now being distributed at all of these new markets.

Union Gas Co. of Canada at present has outstanding no par value common shares to the number of 705,881 of 1,000,000 shares authorized. The company has no other securities, but it is expected that there will be a bond issue in the near future to fund bank loans aggregating some $6,000,000 which have been created because of capital expenditures.

Outstanding funded debt of subsidiary companies, as at March 31, 1931, totalled $4,591,800. There is also outstanding $9,000,000 of six per cent cumulative preferred stock of United Fuel Investments on which dividends are being paid at present at the rate of four per cent annually.

Windsor Gas Co.

Distributes gas in Border Cities bought from Union Gas Co. Storage capacity is 2,000,000 cubic feet. Oil-gas plant built as standby has daily capacity of 6,000,000 cubic feet.

Securities

$1,152,000 of 5 per cent first mortgage bonds outstanding, all held by public. Entire capital stock held by:

City Gas Co., London

Manufactures and distributes manufactured gas in London, Ont. Has approximately 14,000 customers. Perpetual franchise. Population 75,000. Storage capacity 600,000 cubic feet.

Securities

$233,500 of 6 per cent first mortgage bonds, held by public. Entire capital stock held by:

Hamilton By-Product Coke Ovens

Owns coke ovens with annual capacity of 255,000 tons and sells gas to United Gas & Fuel Co. (see below).

Securities

$1,385,800 outstanding of 7 per cent first mortgage bonds, held by public. Issued capital of $1,000,000 all held by:

United Gas & Fuel Co.

Distributes gas bought from Hamilton By-Product Coke Ovens (see above). Holds valuable perpetual franchise.

Securities

$1,820,500 outstanding of 5½ per cent first mortgage bonds, held by public.

$2,000,000 of capital stock, all held by:

United Suburban Gas Co.

Operates distribution system east from Hamilton along Lake Shore road serving Burlington Beach, Oakville, Bronte and the suburban district.

Securities

No funded debt.

$297,200 issued capital, all held by:

United Fuel Investments

Holding company for Hamilton coke and gas distribution companies.

Securities

No funded debt.

$9,000,000 of 6 per cent preferred stock outstanding, held by public.

100,000 shares of common stock, over 99 per cent of which is owned by:

Union Gas Co. of Canada

(formerly Union Natural Gas Co. of Canada)

Holding and operating company serving Chatham, Sarnia and many smaller communities in Southwestern Ontario with natural gas. Serves through subsidiaries Windsor, Hamilton, and London with manufactured or natural gas. Company and subsidiaries distributes 6,000,000,000 cubic feet of gas annually.

Securities

No funded debt.

Entire capitalization consists of 705,881 shares of no-par common stock. Control rests in Canada.

Directors and Officers

Following are the directors and officers of Union Gas Company of Canada and of the various subsidiaries:

Union Gas Co. directors are: S. A. Morse, D. A. Coste, W. J. K. Vanston, R. L. O'Brian, F. E. Ogden, Eugène Coste, A. F. White, W. F. Stafford, D. P. Rogers, H. W. Cohû, C. E. Calvert.

Officers are: S. A. Morse, president, general manager and treasurer; D. A. Coste, first vice-president; W. J. K. Vanston, vice-president; R. L. O'Brian, vice-president; R. L. Bevan, assistant general manager; Joseph McKee, secretary; Ross MacKenzie, assistant treasurer; Pearl Wilson, assistant secretary.

Directors of Windsor Gas Co. are S. A. Morse, R. L. Bevan and G. D. Wickett. Officers are S. A. Morse, president; R. L. Bevan, vice-president, G. D. Wickett, vice-president and general manager; Joseph McKee, secretary; Ross MacKenzie, treasurer; Pearl Wilson, assistant secretary.

Directors of City Gas Co. of London are S. A. Morse, C. M. Duffield, R. L. Bevan, W. L. Duffield and Ronald Harris. Officers are S. A. Morse, president; C. M. Duffield, first vice-president; R. L. Bevan, vice-president; W. L. Duffield, vice-president and general manager; Joseph McKee, secretary; Ross MacKenzie, treasurer; J. W. Cahill, assistant secretary and assistant treasurer.

United Fuel Investments directors are S. A. Morse, A. F. White, R. L. Bevan, A. T. Leavitt, G. R. Cottrelle, G. H. Cassels, K.C., J. A. Fraser. Officers are S. A. Morse, president and general manager; A. F. White, vice-president; R. L. Bevan, vice-president; A. T. Leavitt, vice-president; Joseph McKee, secretary; Ross MacKenzie, treasurer; H. G. Henry, assistant secretary and assistant treasurer.

Directors of Hamilton By-Product Coke Ovens, Ltd., are S. A. Morse, R. L. Bevan, A. T. Leavitt, A. V. Young, J. P. Bell, N. S. Braden, W. H. Lovering. Officers are S. A. Morse, president; R. L. Bevan, vice-president; A. T. Leavitt, vice-president and general manager; Joseph McKee, secretary; Ross MacKenzie, treasurer; H. G. Henry, assistant secretary and assistant treasurer.

Directors of United Gas & Fuel Co., Hamilton, are S. A. Morse, Judge J. G. Gauld, R. L. Bevan, A. T. Leavitt, W. I. S. Hendrie, A. L. Page, F. F. Treleaven. Officers are S. A. Morse, president; Judge J. G. Gauld, first vice-president and special advisory counsel; R. L. Bevan, vice-president; A. T. Leavitt, vice-president and general manager; Joseph McKee, secretary; Ross MacKenzie, treasurer; H. G. Henry, assistant secretary and assistant treasurer.

Directors of United Suburban Gas Co. are S. A. Morse, R. L. Bevan and A. T. Leavitt. Officers are S. A. Morse, president; R. L. Bevan, vice-president; A. T. Leavitt, vice-president and general manager; Joseph McKee, secretary; Ross MacKenzie, treasurer; H. G. Henry, assistant secretary and assistant treasurer.

Twenty Years in Gas Business

R. L. BEVAN,

assistant general manager of the Union Gas Co. of Canada. Mr. Bevan joined the Volcanic Oil and Gas Co. in 1911, after several years of banking experience, and has thus been twenty years in the gas business in Canada. He went west before the war and from 1912 to 1921 was in the service of the Canadian Western Natural Gas, Light, Heat & Power Co. and the Calgary Gas Co., being superintendent at Calgary from 1914 to 1921. He was superintendent for Eugene Coste & Co. from 1921 to 1923, joining the Union Natural Gas Co. of Canada in 1923 as superintendent of production. On January 1, 1930, he became assistant general manager. Mr. Bevan is vice-president of all of the subsidiary companies. He lives in Chatham.

Balance Sheet Shows Union Co. In Good Position

Net for Fifteen Months is $1,385,169 After Depreciation and Other Charges

GROSS REVENUES $8,000,000

Appended to Report Are Sales Including Hamilton and London Companies Recently Bought

Financial statement of Union Gas Co. and its subsidiaries, covering the 15 months period ended March 31, 1931, gives ample evidence of the expansion of this utility company in Southwestern Ontario.

The recent report is for a period of 15 months due to change of the company's fiscal year to end on March 31 rather than December 31. Inclusion of the operating results of the acquired companies from date of acquisition last August is also made with the result that the figures presented are not comparable with figures for previous years. Net profit for the 15 months period is shown at $1,385,169, after depreciation, which includes the earnings of the Hamilton and London subsidiaries from July 31, 1930. After deduction of provision for income tax of $58,100, dividends amounting to $315,000 on the preference shares of United Fuel Investments Ltd. and $1,311,216 of dividends paid on shares of the Union Natural Gas Co. of Canada, and making correcting entries re the 1929 depletion charges of $386,673, the company shows a surplus of $87,526 which added to the previous balance in surplus account of $167,278 results in a surplus carried forward at March 31, 1931, of $254,804. The winter of 1930-31 was exceptionally mild, however, and sales were also affected by the business depression.

Gross revenues from sale of products during the entire 15 months period are shown at $7,928,061. Coke sales accounted for $2,472,776, of which $2,054,830 was wholesale and $417,945 was retail sales. By-products, including ammonium sulphate, tar and motor benzol accounted for $555,095. Artificial gas sales totalled $1,744,924 and natural gas sales $3,155,267.

CONSOLIDATED PROFIT AND LOSS
For Fifteen Months Ended

	March 31, 1931
Net profit from oper.	$2,497,788
Int. earned on bonds	8,883
	2,506,671
Less:	
Int. on bank loans, etc.	240,341
Bond int. constituent companies	220,434
Depreciation and renewals	582,399
Prov. for amortization	77,328
Profits	1,385,169
Income taxes	58,100
Net profits	1,327,069
Add: Correcting entries re 1929 depletion	386,673
Available for dividends	1,713,742
Pref. divs. United Fuel	315,000
Div. Union Natural Gas	1,311,216
Surplus	87,526
Prev. surplus	167,278
Consolidated surplus	254,804

The consolidated balance sheet of the company shows total assets of $37,457,230 of which $33,924,621 represents property account and construction work in progress. This total is exclusive of gas reserves developed. Current assets total $2,069,521 as against current liabilities of $1,145,953. Cash and government bonds amount to $412,339, accounts receivable, after reserve, to $811,603, and inventories as certified by the management at $845,578. Sundry assets amount to $197,970, deposits with trustee for bond issues to $12,405 and deferred charges and prepaid expenses to $187,799.

Financing is Planned

The two major current liability items consist of $383,000 in bank loans for current purposes and $416,629 in accounts payable and accrued charges. In addition to current bank loans there are special bank loans of $6,065,800 to be retired by permanent financing. These loans were incurred in the refunding of certain underlying securities of Hamilton subsidiaries, in expenditures connected with extensions and in the purchase of City Gas Co. of London. Permanent financing has been delayed pending improvement in general investment conditions, but it is anticipated that it will be carried out at an early date.

Other liabilities include $330,200 in mortgages payable and balances payable on sales agreements. Reserves for depreciation and renewals total $4,959,439. First mortgage bonds and preferred stock of subsidiary companies outstanding total $13,591,800 and the minority interest in common stock of United Fuel Investments Ltd. is carried at $9,264. Capital and surplus of the company is shown at $11,304,775, represented by 705,881 common shares of no par value. Of this total, $254,804 is consolidated earned surplus and $11,049,970 is capital issued including surplus arising from revaluation of assets, less amounts repaid to shareholders.

Natural Gas Output Grows in Recent Years

How the production of natural gas in the southwestern counties' wells of Union Gas Co. has grown in the last several years prior to the merging of these interests with those of Hamilton and the purchases in Haldimand county is shown in the following table:

Year	Output in Cubic Feet
1925	2,812,640,000
1926	3,126,412,000
1927	2,922,883,000
1928	3,225,495,000
1929	4,024,332,000

COMPANY MEETS HEAVIEST DEMANDS OF BORDER CITIES

Rebuilt by Union Windsor's System Is Now Adequate

New Mains, Second Pipeline, More Storage, Oil-Gas Plant Installed

ADDS $1,800,000 INVESTMENT

Number of Meters Doubled Since 1927—Old Company Recorded No Growth in Previous Decade

Windsor Gas Co., although it has been "in the public's service since 1877," has been completely rehabilitated since Jan. 1, 1927, when the Union Gas Co. assumed control.

From 1917 until 1927 there was virtually no growth. The supply of natural gas was uncertain and was believed to be limited. The market did not appear to justify the investment in a manufacturing plant. In any event, the Dominion Traction & Lighting Co., owners of the gas system and the Windsor, Essex & Lake Shore Railway, was in no financial position to improve the service.

Union Buys in 1927

Meanwhile the Union Gas Co. had been persistently endeavoring to procure and assure a larger and adequate supply of its gas for its logical territory, the most progressive portion of this territory being the Border Cities. With lesser retailing systems—in Sarnia, Chatham and elsewhere—procured, with many new wells ready for service and the assurance of the public authorities that rates would be adequate in relation to cost, including the cost of capital, the Union Company in 1926 negotiated the purchase of the Windsor Gas Co. and the change of ownership became effective on Jan. 1, 1927.

In the four and a half years since then there has been a remarkable change in the position and outlook of the Windsor Gas Co.

Connected Meters Doubled

In 1927 there were 8,500 meters and the increase in the previous ten years had been negligible. At the present time there are nearly 17,000 connected meters and the service is being constantly expanded.

In 1927 the Border Cities area was served with one pipeline which, besides being unable to take care of the peak demand on coldest days, subjected the service to the additional hazard of interruption through breakage.

Today there are two separate lines serving Windsor direct from the Tilbury gas field. The new line is capable of carrying higher pressures than the old one, and the compressor station at Port Alma (where is located the purifying plant described elsewhere) can be more advantageously used to fill it with gas to its full capacity.

Adds to Storage Facilities

A conspicuous landmark on the outskirts of Windsor are the four steel spherical storage tanks which the company installed in 1927. These tanks each hold 250,000 cubic feet of gas at 50 pounds pressure so that, with the adjacent holder of the lift type, the storage capacity at the Border Cities now is 2,000,000 cubic feet.

Vital, also, to assurance of an adequate supply of gas for the Border Cities is the plant installed in 1929 for the manufacture of gas from oil. This plant has a daily capacity of 6,000,000 cubic feet of gas. It has been used on few occasions, as yet, but as the demand grows or if there is an interruption of supply from the field, the product of this plant can be mixed with the natural gas and efficiently serve the users in the Border Cities.

Manufactured gas from oil has an advantage over manufacture by the coke-oven or other process in that an oil-gas plant can be placed in operation on 45 minutes notice and there is no cost of operation while the plant is not being used other than the interest on the investment and the wages of one or two attendants. Any other type of standby plant would have cost more in the first instance and, if it was to be ready to serve on short notice, would have to be operated on a small scale at all times. Moreover, the Windsor plant is in six units, each of which can be operated independently of the other so that the supply can be accurately gauged to suit the demand.

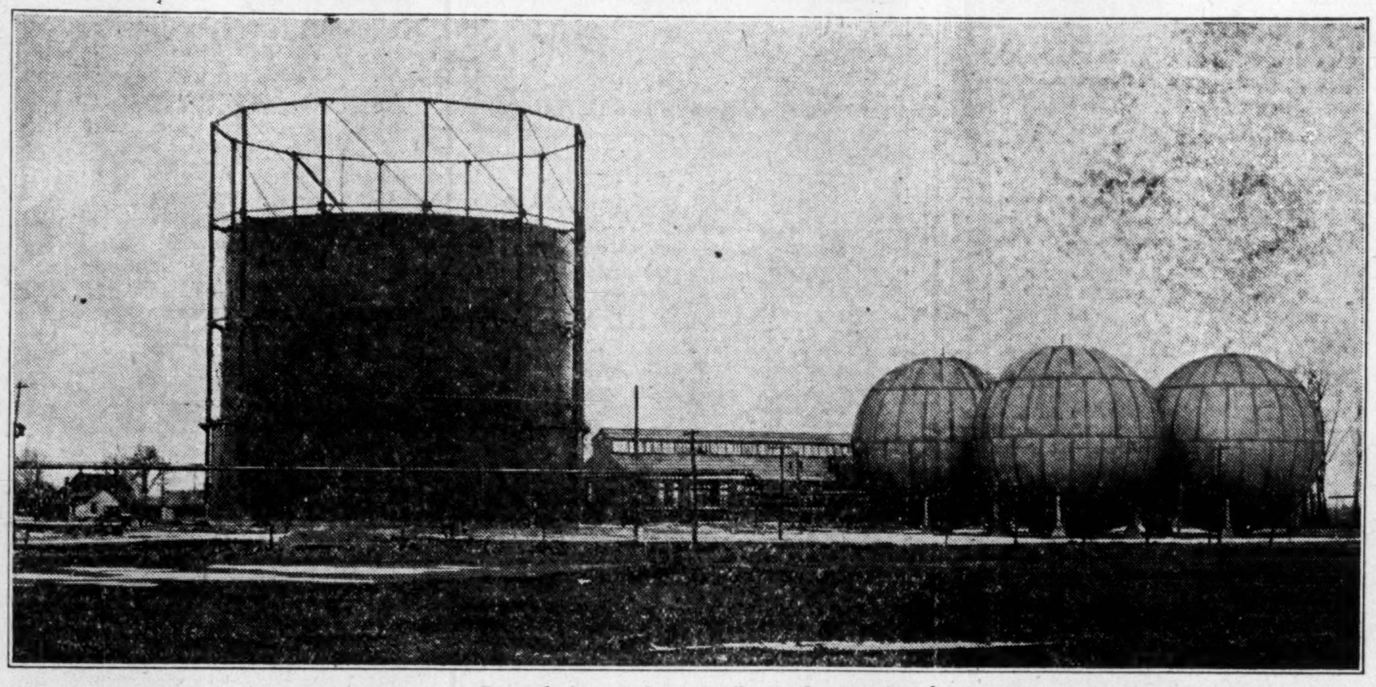
As soon as the Union Gas Co. had acquired the Windsor Gas Co. it initiated its programme of improvements. Not the least of these was the rebuilding, repair and redesigning of the distribution system. At various points in the system, distribution mains were lifted and replaced with larger pipe and dead ends were connected to permit a more even distribution of pressure. Intermediate pressure lines were run to districts where pressure was inadequate, new regulator stations were built and old ones were enlarged. New mains were laid into districts not theretofore served.

Pressure Now Constant

Natural gas reaches the Windsor city line at pressures up to 50 pounds. It goes into the principal distribution mains at about 10 pounds pressure and from these to the distribution mains at never less than six ounces pressure.

Altogether the Windsor Gas Co. and the Union Gas Co. have invested approximately $1,800,000 for the improvement of the service for the Border Cities since 1927. Improvements and extensions to the distribution system have totalled $1,500,000, of which $415,000 was in constructing the second pipeline from the Tilbury field, $177,000 was for the spherical storage tanks, and $500,000 was for the oil-gas plant. (Incidentally, the connecting mains, much apparatus and the building have been so constructed that an additional six units can be installed at a less cost per unit than for the initial installation.)

Gas Storage Facilities Are Adequate



General view of the new oil gas plant at the Border Cities, showing the storage available for that market. The lift type of holder at the left has a storage capacity of 1,000,000 cubic feet. The four steel spheres at the right also will hold 1,000,000 cubic feet at 50 pounds pressure.

Gas Meter Accurate Inspection Reveals

How nearly correct is your gas meter?

The inspection of gas as well as electric meters is in the hands of the Dominion Government. In the fiscal year ended March 31, 1929, the Government passed 133,515 meters as accurate enough for use. Of this total 31,044 were exact, 26,271 were not more than two per cent fast and 76,200 were not more than 3 per cent slow.

Of the total number inspected, it was found necessary to reject only 646 meters, of which 330 were running too fast and 316 running too slow. The rejections were a trifle less than one half of one per cent of the acceptances.

There are approximately 650,000 gas meters in use in Canada, of which about 125,000 are metering natural gas.

Union is Interested In All Major Fields In Southern Ontario

Border Districts and Haldimand Produce About Seven-Eighths of Flow in Province

Gas fields in which the Union Gas Co. is interested give about seven eighths of the natural gas produced in Ontario. Moreover, with the Welland field fluctuating in production and various smaller fields showing a tendency to wane, the proportion produced in the Southwestern counties and in the Haldimand field has been growing.

The official 1930 figures are not yet available, but it is believed that there either was an actual increase in Ontario production or that large new wells shut in pending demand have materially increased the potential production. The following figures covering the three years up to 1929 are taken from the Ontario government report and demonstrate conclusively that production is gaining and that the gain is, for the most part, in the areas in which the Union Gas Co. is primarily interested:

	cu. ft. 1927	cu. ft. 1928	cu. ft. 1929
Total production in fields in which Union Gas Co. is interested ...	6,864,323,000	7,169,822,000	8,106,248,000
Total Ontario production	7,311,214,000	7,632,740,000	8,583,187,000

History of Gas in Border Cities Covers 54 Years

Originally a Manufacturing Company, Natural Product Comes in 90's

UNION CO. ENTERS IN 1927

S. A. Morse Now President, With Gordon D. Wickett as Vice-President and General Manager

Charles H. Nash organized the Windsor Gas Co. in 1877 and his brother, A. F. Nash, was manager. It was a manufactured-gas company then, no natural gas reaching Windsor until 1890. Senator Ogilvie, of Montreal, was financially interested.

In 1887 the company established an electric light plant, but this ceased to operate in 1890 when the city installed its own street lighting system.

When the company was threatened with natural gas competition in the early 90's the Nash interests were bought by Baxter & Lynn, of Detroit. Later the Hon. W. C. Kennedy and Dr. S. A. King, of Windsor, acquired the Lynn stock.

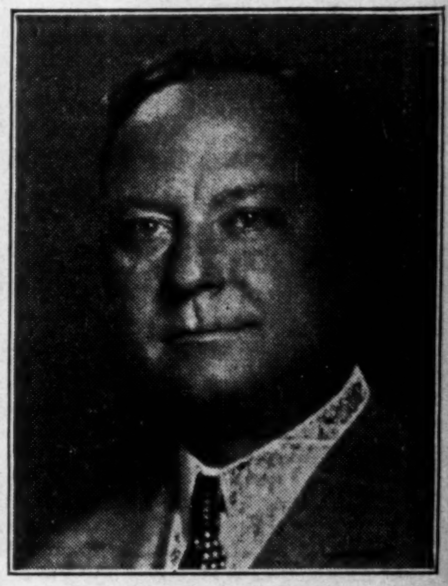
Dominion Traction Formed

A reorganization in 1904 resulted in the election of Isaac C. Baxter as president, Dr. S. A. King as vice-president, and Mr. Kennedy as treasurer. These officers were the only directors. Gordon D. Wickett, now vice-president and general manager, became treasurer in place of Mr. Kennedy in 1908. Mr. Baxter retired from business in the following year and his interest in the company was bought by Mr. Kennedy and Charles S. King, who had succeeded his father.

Dominion Traction & Light Co., a holding company, acquired all of the gas company's stock in 1913 and this situation continued until 1927 when the Union Gas Co. acquired control and the Dominion Traction became the owner of the bonds of the Windsor Gas Co. Dominion Traction was a promotion of G. Gordon Moore, and this connection brought into the company Elliott G. Stevenson, head of the I.O.F., and his son-in-law, T. P. Pinckard, who now is general manager of the Detroit & Windsor Tunnel Co. Mr. Pinckard succeeded Mr. Kennedy as president in 1917 and he, in turn, was succeeded by Mr. Wickett as president in 1924. Other directors in 1924 were G. R. Cottrelle and Adrienne St. Pierre.

Mr. Wickett, who has been connected with the company for 28 years, has been a member of the board since 1909. The present officers are S. A. Morse, president; Mr. Wickett, vice-president and general manager, R. L. Bevan, vice-president; A. Ross MacKenzie, treasurer, and Joseph McKee, secretary.

Manages Windsor Gas Co.



GORDON D. WICKETT,

vice-president and general manager of Windsor Gas Co., one of the most important of the Union Gas subsidiaries. Mr. Wickett has been connected with the Windsor enterprise for 28 years. He became office manager of the company in 1903, treasurer in 1908 and director in 1909. From 1924 until the acquisition of the company by Union Gas Co. of Canada, he was president of Windsor Gas Co.

John Head 48 Years in Union Co's Service

John Head, in charge of the regular station of the Union Gas Co. in Chatham, is the oldest employee of the company in point of service, having now completed more than 48 years. Mr. Head was formerly general superintendent of the Chatham Gas Co., but when that company was taken over by the Union company he was given a less active position. The lawns and flower beds surrounding the regulator station are Mr. Head's special pride.

Mr. Head was born in England and got a position with the Chatham Gas Co. two days after his arrival in this country with his wife. Mr. and Mrs. Head this year celebrated their golden anniversary.

Looks Like Oil, But Isn't

This is a picture of a gas well just after it has been "shot" with a heavy charge of dynamite. Many natural gas wells in the southwestern counties have been so treated. When the production begins to wane it is often because of salt and paraffin clogging the pores of the rock through which the gas comes into the well. Then the explosive is used to free the passage again. For a moment after firing the shot, the gas well takes on the appearance of an oil gusher.

Where Gas is Manufactured from Oil

Interior view of the oil-gas manufacturing plant of the Windsor Gas Co. This plant, which will make 6,000,000 cubic feet daily from oil at 1,600 degrees Fahrenheit, is maintained for emergencies of demand or interruption in the supply of natural gas.

"IN THE PUBLIC'S SERVICE SINCE 1877"

Meeting the Public's Needs

Windsor Gas Company, Ltd., under its present management since 1926, has invested large sums to assure an adequate gas service for the Border Cities area.

Major Accomplishments:

The building of a purification plant at Port Alma which eliminates the offensive odor from the gas, formerly 1¼ per cent sulphur.

All wells have been reconditioned.

New sources of supply have been found.

A duplicate transmission line was built to Windsor from the Tilbury Field which minimizes the chances of interruption of service.

Additional storage facilities installed guarantee adequate supply at constant pressure.

The Oil-Gas manufacturing plant which is always ready to begin delivering gas on 45 minutes' notice.

That the Windsor Gas Company, Ltd., by these means has won the confidence of the public is shown by the fact that, since January 1, 1927, the number of connected meters has grown from 8,501 to 16,540.

The Border Cities has been one of the fastest growing areas in Canada. The Windsor Gas Co., Ltd., has shown its ability to participate in and help that growth.

Windsor Gas Company Limited

Controlled by Union Gas Company of Canada, Limited

"IN THE PUBLIC'S SERVICE SINCE 1877"

COKE AND GAS COMPANIES SERVE HAMILTON'S FUEL NEEDS

Coking Plant Solves Problem For Hamilton

One of Earliest to Have Gas, City Long Suffered from Inadequate Supply

NEW FRANCHISE IS GRANTED

Company in Position to Take Care of Greatly Increased Demands of Consumers in Growing City

Hamilton has had gas since 1850—one of the first Canadian cities so to be served. But Hamilton, like many other cities, has had a great deal of trouble over its gas and it is only since the construction of the by-product coke ovens in 1924 that the supply has been adequate and reliable.

At present Hamilton is served with gas by the United Gas & Fuel Co., which purchases its supplies from the affiliated Hamilton By-Product Coke Ovens. Besides the distribution mains and the attendant equipment, the United Gas & Fuel Company owns a gas holder with a storage capacity of 6,000,000 cubic feet, one of the largest holders in Canada. Moreover, a supplemental supply of natural gas is available to the company's customers by reason of the purchase of 175 wells in the Haldimand field by the Union Gas Co. and the construction of a transmission line from that field to the city.

Troubles Begin in Present Century

Hamilton followed immediately upon the heels of Montreal and Toronto in the construction of a gas plant for its lighting and fuel needs. The Hamilton Gas Light Co. kept pace with the city's growth, giving way only as more modern methods were developed through electricity for street and home lighting.

When natural gas was discovered in Ontario, Hamilton sought a share of a supply which was believed to be inexhaustible. This was at the beginning of the present century. The gas manufacturing plant built in 1850 was old and inefficient. The cost of gas produced by it at times reached $2.50 per 1,000 cubic feet. So Hamilton, in 1904, got its first natural gas and it was believed that the problem of fuel for cooking was solved.

The distribution of natural gas within the city was undertaken by the Ontario Pipeline Co., which bought gas from a producing company at the city line. Within a few weeks, 8,000 householders had applied for meters. But it was soon discovered that the natural gas supply was inadequate and untrustworthy and reference to newspaper files shows that the gas problem for Hamilton remained acute from at least 1905 until the construction of the by-product coke ovens in 1924.

Old Plant Acquired

When the company supplying the natural gas confessed its inability to meet the demands of the customers of the Ontario Pipeline Co., that company in 1912 bought the assets of the Hamilton Gas Light Co. and the new company, United Gas & Fuel, began again to produce gas by the manufacturing process. It was hoped that this gas from the manufacturing plant, inadequate though it would be for the city, would assist in taking care of the peak loads and prevent actual suffering on the part of householders.

But the ancient plant was unequal to the task and the producers of natural gas were unable to find any substantial new sources of supply.

Coke Ovens Solve Problem

A civic committee headed by Alderman T. B. McQuesten made a comprehensive survey of the situation and brought in a report that, in view of the apparent inadequacy of the natural-gas supply, "an artificial gas supply is the only remedy." In 1920, as a consequence, the city and the United Gas & Fuel Co. entered into an agreement. The company was "to erect a plant of sufficient size to take care of the present and future gas requirements of Hamilton," and an up-to-date gas holder of "5,000,000 cubic feet storage capacity" for the benefit of all consumers. The city has a right to audit the books of the company, profits are limited by the agreement and the city has the right to expropriate the plants of the company at a fair valuation.

The agreement has resulted happily for the city. The fuel problem has not been acute, or even threatening, at any time since the completion of the coke-oven plant in 1924. The gas supply is adequate and, further, as a direct outcome, Hamilton now possesses a modern by-product plant which, in addition to meeting the gas requirements, provides also a high-grade domestic coke which is sold in an ever-widening territory. The company has no difficulty in disposing of its output of 250,000 tons of coke annually.

Gets New Franchise

Supplementing its original franchise, which is perpetual, United Gas & Fuel Co. in the present year has obtained from the city council and ratified by the Ontario legislature an exclusive franchise within the city for ten years, after which the original franchise again becomes effective. In consideration of this franchise, there has been a reduction in rates, but these can be revised upward to a stated maximum if necessary to give the company a reasonable return on the investment.

At the present time another company is selling natural gas in a sizeable easterly portion of the city. This company had a franchise to serve Barton Township, and since a portion of Barton Township joined the city of Hamilton the company has continued to operate. As a result, however, of the new agreement between the United Company and the City of Hamilton referred to above, the distribution rights of this other company are confined to the latter's present area of operation within the city.

In addition to the supply of manufactured gas, United Gas & Fuel, as already mentioned, now is in position to purchase from its parent company, Union Gas Co., a supply of natural gas from the Haldimand field.

Industry's Growth Is Sure to Come In Several Ways

No Contest Now for Light Business —Real Function is Heat

In Ontario and other parts of Canada where there has been an enormous development of the electrical industry, primarily for the benefit of the householder, the importance and the potentialities of the gas industry are apt to be overlooked. In the matter of lighting, the gas companies long ago gave up the argument. But in industry, in cooking and in heating water, gas is a legitimate and important competitor of electricity. In many phases of industry gas is admittedly superior as well as cheaper. In the home, gas has its advantages despite the fact that the service rendered the household consumer of electricity by the publicly owned system is at an extremely low price.

Gas Appliances Modern

Many household consumers, even to this day, are wont to compare the old cookstove with the modern electric range; gas, inevitably, suffers by the comparison. But the fact is that the modern gas range is just as efficient and just as presentable in appearance as is the modern electric range. Moreover, it is cheaper to buy, cheaper to install and cheaper to operate.

These are facts which are helping the gas industry to grow, not only in Canada, but in the majority of the cities of the United States.

In the matter of heating homes, the gas industry is beginning to make progress. Users of natural gas in the old days had a furnace firepot filled with brick, got a local plumber to concoct a burner and heated a big house for as little as $8 per month. Then natural gas became scarce and more expensive and the householder went back to anthracite, when he could get it.

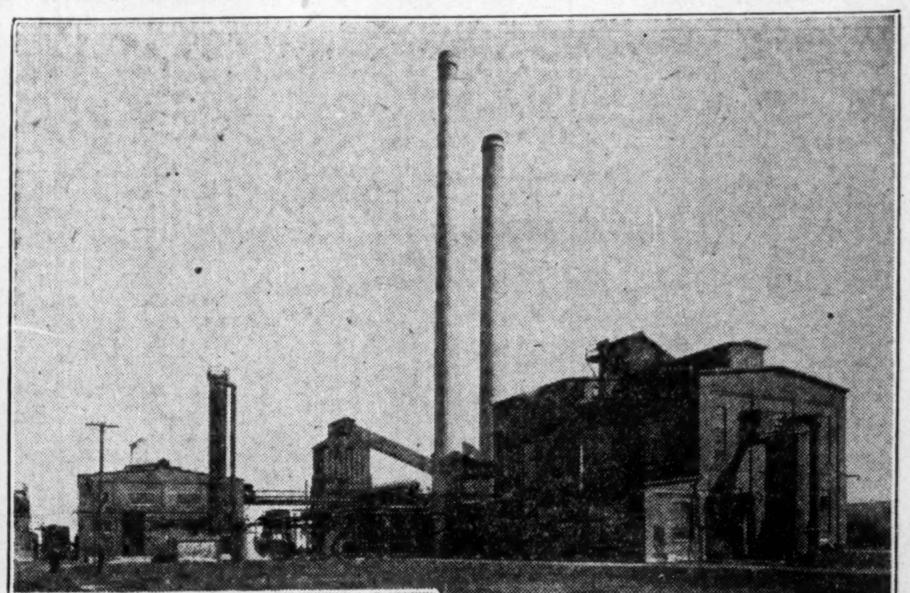
House Heating With Gas is Coming

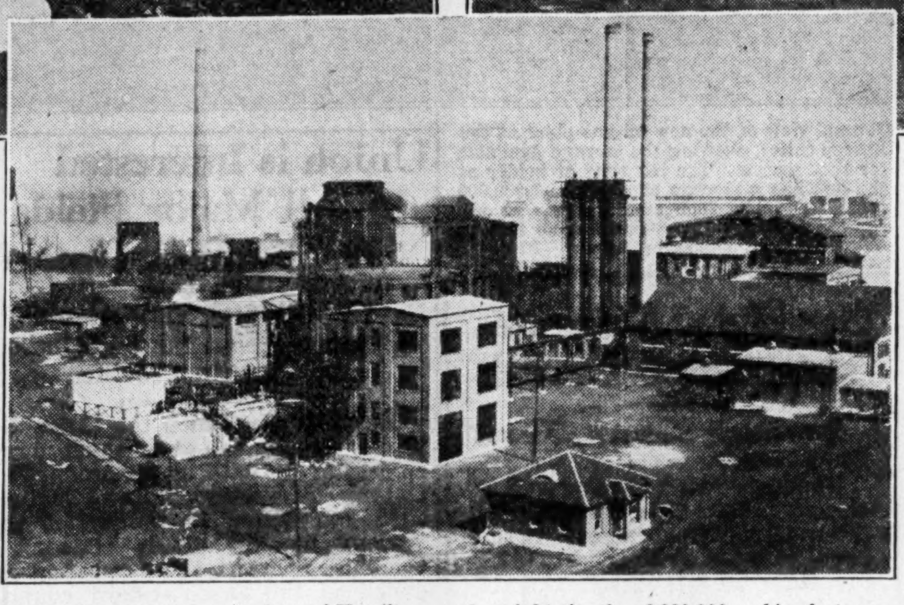
Today, heating a house with gas is done differently. There are no ashes, soot or dirt and the savings of the furnace man's wages helps to bring down the winter's bill. The furnaces are specially built for gas, with the flame meeting the boilers at the points scientifically designed to produce the maximum amount of hot water or steam. Thorough insulation of houses is advised. The gas companies are adding more house-heating customers each year.

With an adequate supply of natural gas and the ability to increase greatly the supply of manufactured gas, Union Gas Co. and its subsidiaries are in position greatly to expand the house-heating load throughout its territory.

The production of heat efficiently and at cost reasonable in comparison with the cost of producing heat otherwise is the legitimate function of the gas industry. It is along this line that the whole gas industry has been progressing in the last decade and the Union Gas Co. promises to be an outstanding Canadian development.

Hamilton Coke Plant is Modern Means of Solving Fuel Problem





Top left is general view of plant of Hamilton By-Product Coke Ovens. The ovens, 60 in number, are at the left and the equipment for extracting by-products is in centre. At the right is the 6,000,000 cubic feet gas holder. The other pictures are views of the same plant at different angles.

Unloading Bridge Cuts Costs Of Coke Company by Huge Sum

One of the finest coal docks anywhere is that of the Hamilton By-Product Coke Ovens on the Hamilton harbor. The dock is built entirely on reclaimed land and is immediately adjacent to the coking plant, leaving room only for the extension of the storage facilities. The storage facilities could be extended at only the cost of flooring and the lengthening of the rails on which the bridge is propelled. Freight costs have been greatly reduced by this dock.

The purpose of the coal dock is to enable the company to bring in its coal by water from Pennsylvania or Ohio ports on Lake Erie. Before the construction of the dock of 1928, all of the coal was transported by rail, either by way of Buffalo or from one or other of the Canadian ports on Lake Erie. The dock eliminates all rail hauls except from the mine mouths to the United States port.

Might Use St. Lawrence

The existence of the dock also tends to free the company from dependence on United States sources of supply in the event of labor or other troubles shutting down the mines in that country. Coal could, if necessary, be brought up the St. Lawrence and unloaded at Hamilton and, if the deep waterways were completed, it is possible that the cost of coal delivered at Hamilton would not be materially greater than under present conditions.

With the opening of the new Welland canal, it is now possible for larger vessels to come to Hamilton from the upper lakes. So far, the company has been served with vessels of the old canal size, but these steamers have been carrying from 400 to 500 tons more than formerly. The cargoes run from 3,000 to 3,500 tons. Larger steamers could use this dock space, as the channel now is dredged to a minimum depth of 22 feet.

In Storage for Winter Use

Owing to the fact that there is no lake navigation for five or six months each year, a considerable amount of storage space is necessary. The wharf over which the unloading bridge will travel would hold 440,000 tons of one kind of coal. Actually, owing to the fact that the company uses several varieties of coal, the practicable storage amount is under 350,000 tons. This, however, is more than sufficient to carry the coking plant through a long winter. It usually is planned to have enough on hand to last until May 1 of any year. This year, however, an extra amount will be stored because of the possibility that the bituminous mines will be shut down when the present labor agreement expires on April 30.

With the land reclaimed and to be reclaimed, the company has for dock space, coking plant and gas storage a total of 94 acres. Of this amount only 37½ acres were dry land when the property was bought seven or eight years ago. The city authorities and Canadian Industries, Ltd., which owns a plant on the other side of the vessel slip, have co-operated in creating the actual dockage facilities.

The unloading bridge is a conspicuous addition to the evidence of the industrial importance of Hamilton. It has a clear span of 350 feet and the bucket can travel 46 feet beyond the centre of the supporting pier. There is also a hinged apron on the water side which may be raised to clear vessels when not in use, and this allows a bucket travel 57 feet beyond the face of the dock, enabling the bucket to get to the far side of broad-beamed freighters.

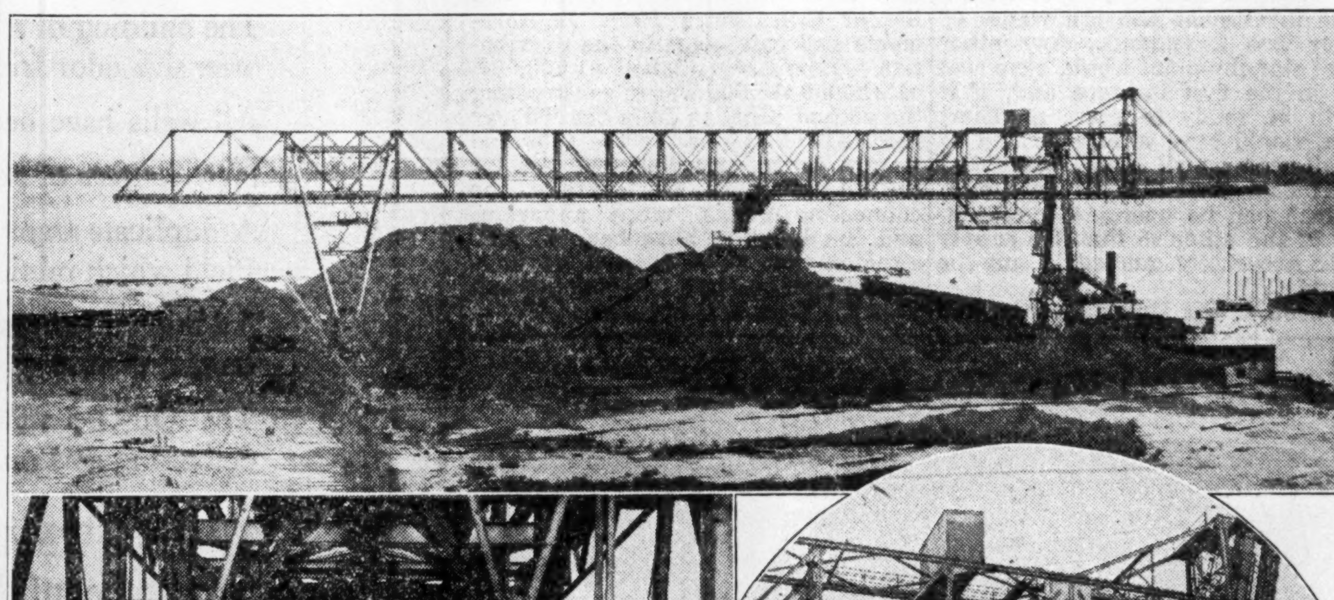
Unloads 400 Tons Hourly

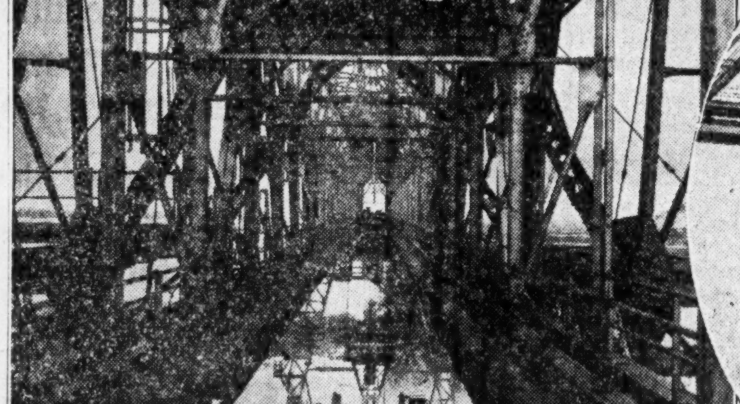
The operating bucket has 400 cubic feet capacity, or about ten tons of coal, and there is a clean-up bucket which has a capacity of six tons. The hourly capacity with the larger bucket is about 400 tons.

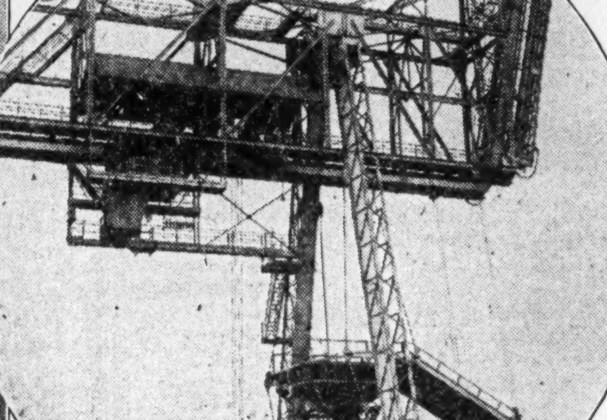
The bridge can be moved up and down the dock 1,100 feet. An automatic device prevents its lateral movement in the event of a wind velocity in excess of 38 miles per hour. There are a number of other safety devices for the protection of life and property. The whole apparatus is operated by two men.

While the storage dock proper is 350 feet wide, the bucket has a total travel of 489, of which 57 feet is out over vessels to be unloaded and the balance of the distance on the land side beyond the supporting piers or legs. This outside space is used for storing coal for dealers in Hamilton who have an arrangement for this with the coke company.

Hamilton Company Owns Efficient Coal Dock







The top view shows the unloading bridge which will handle 400 tons per hour. The lower left is a view from the operator's level, showing the bucket and travelling crane. The circle is a close-up of the bridge with the apron lifted to permit the manoeuvring of vessels at the wharf.

U.F. Investments Owns All Shares of Subsidiaries

Hamilton Company Controls Three Operating Companies

BONDS HELD BY PUBLIC

United Gas, and Coke Plant Issues of Mortgages are Widely Distributed

United Fuel Investments is the holding company for United Gas & Fuel Co., Hamilton By-Product Coke Ovens, Ltd., and United Suburban Gas Co.

United Gas & Fuel buys gas from the coke company and distributes it to consumers in Hamilton. United Suburban operates a transmission line along the shore of Lake Ontario from Hamilton to Oakville and serves consumers in various communities en route. The coke company manufactures and sells 255,000 tons of coke annually as well as by-products such as motor benzol, tar and ammonium sulphate.

Public Owns Preferred

Public investment interest in United Fuel Investments, Ltd., is confined to $9,000,000 of preferred stock. The holding company itself has no funded debt. All the common stock is owned by Union Gas Co., except a few shares which have not as yet been exchanged. Funded debt of subsidiaries of United Fuel Investments consists of $1,385,800 of 7 per cent first mortgage bonds of Hamilton By-Product Coke Ovens, due in 1943, and $1,820,500 of 5½ per cent first mortgage bonds of United Gas & Fuel Co., due in 1948. The United Suburban Gas Co. has no obligations to the public, the entire capital having been provided by United Fuel Investments.

United Fuel Investments, Ltd., came into existence in 1928 when the assets of the two Hamilton operating companies were acquired from United States interests. While the relationship between the coke company, after the building of the original unit of the new plant in 1924, and the distributing company were satisfactory, it was deemed desirable to unify operations through a holding company. This was accomplished through purchase of the shares of the two companies and the organization of a holding company which became of public investment interest through the issuance of the preferred stock.

Exchange is Profitable

Until the acquisition of control of United Fuel by Union Gas in 1930, about 40 per cent of the common stock was distributed widely among the public, these shares having been a bonus with the preferred shares in 1928. The exchange offered was on a favorable basis, inasmuch as the Union Gas then was and continues on a dividend basis. whereas United Fuel was at least some years from the time when it would be feasible to distribute earnings to common shareholders.

The business depression which reduced the gas load and a highly competitive situation in a part of the city of Hamilton lowered the earnings of United Gas & Fuel in the last year. The dumping of a considerable amount of United States coke into this market also affected somewhat the earnings of the other principal subsidiary, although it is stated that the coke ovens continue to show a most satisfactory position. But, in consequence of the business depression and low prices, it has been deemed expedient to reduce the dividend rate on the United Fuel preferred from the 6 per cent rate to 4 per cent. The new parent company, Union Gas, has entered into an agreement with United Fuel Investments whereby United Fuel is to purchase natural gas from Union's Haldimand holdings and Union agree to supplement United Fuel's earnings during a two-year period ending March 31, 1933, if said earnings fall short of four per cent on the preferred stock. In that event, Union is to pay to United Fuel not over $180,000 per year for the two years. It is not anticipated that a substantial portion of this amount will be required.

No New Capital Expenditures

It is understood that none of the operating subsidiaries of United Fuel Investments is in need of funds for capital investments, other than normal improvement and maintenance which can be met out of current earnings. The suburban company will not extend its area at present. The only new mains laid in Hamilton will be for the purpose of serving new streets. The coke company completed its programme for the present with the building of the unloading dock in 1928.

In the circumstances, given a return of conditions more nearly normal, United Fuel is expected to be able to earn its full dividend, after bond interest of subsidiaries and ample allowance for depreciation and other charges.

Only the standard drilling tools are used in Ontario gas-well drilling. The geology is such that it has not been deemed advisable to use the newer type of rotary tools. The standard operation is simply the continuous dropping of the tools into the rock, the tools being suspended with cable.

EQUIPMENT OF TWO HAMILTON COMPANIES IS AMONG BEST

Coke Plant Among Best In Industry

Nothing Wasted in Producing Excellent Household Fuel from Soft Coal

BY-PRODUCTS IMPORTANT

Benzol, Tar and Ammonium Sulphate Bring Substantial Revenue to Company in Year

The visitor to the plant of the Hamilton By-Product Coke Ovens does not need a technical knowledge of the process to decide that the works are efficient. Nothing is wasted. Nothing is ever idle. The process is continuous. There is no futile work.

Coal is brought by steamer from Pennsylvania or Ohio ports, through the Welland canal to the dock of the company where there is draft of 22 ft. An electric bucket will unload a vessel carrying 4,000 tons in about ten hours and place the coal anywhere on the wharf which will hold comfortably between 350,000 and 400,000 tons.

The same unloading apparatus will pick the coal from the wharf, load it into freight cars and it will be hauled by the company's own locomotives to the coking plant, just a sufficient distance away to leave room for the doubling or tripling of the unloading wharf at any time this is required.

Coal is Pulverized

The coal is dumped from the cars to a continuous belt. This belt carries the coal to a mixing bin where other belts are dumping other kinds of coal in the right quantities to procure the right kind of coke. Other belts carry the coal to a pulverizing machine atop the coke ovens. The pulverizing assists in the proper combustion and more thoroughly mixes the two or three kinds of fuel used. A travelling bucket carries the pulverized coal to the oven which is to be charged. Everything is tamped down tight, doors are clamped and the cooking begins.

All gases have been driven off through pipes in from ten to thirteen hours. Then a machine removes the side door. When everything is in readiness, another machine on the other side of the oven, which likewise has removed a door, pushes the flaming mass of coke into a car. The locomotive pushes the car to the quenching apparatus. If it is winter, the coke likely proceeds immediately by truck or freight car to dealer's or consumer's bins. If it is summer, it probably goes to the storage piles, where it lies until the fall and winter demand when it is lifted again and rescreened for the domestic market.

Gases are Treated

Meanwhile, gases are continually being drawn off by pumps into the mains leading to the other parts of the plant. In the various processes there are removed from the gas the sulphur, the ammonia, the tar and the motor benzol. In the fifteen months ended March 31, 1931, the Hamilton company and its affiliate in London recovered 9,618,590 pounds of ammonia sulphate, 3,154,748 gallons of tar and 741,266 gallons of motor benzol. These by-products brought a revenue of $555,095 in that period and their removal from the gas enabled the gas company to deliver to its customers a safe and consistent product at a reasonable price.

In former times, ammonia sulphate, which is a valuable fertilizer, was shipped principally to Japan. There has been a serious weakening in the price of this product, however, due principally to the recovery of the Chilean nitrate industry. But the Hamilton company has been developing the local market and it is understood that the consumption of ammonia sulphate by fruit growers in the Niagara district is growing rapidly.

Benzol Plant is Safe

The Hamilton company claims that its motor benzol is one of the finest products of its kind produced on this continent. It is said to be more valuable as a motor fuel than ordinary gasoline and the present market is one of the large oil companies, which is blending the output with other gasoline to produce a motor fuel of anti-knock qualities. The benzol plant is one of the most modern in the industry and has been constructed with a view to promoting the maximum safety to the employees and the property. There is an avenue of escape from every working level in the plant which extends some 40 feet into the air, various rooms are built so that each can be shut off from others instantly, and the whole building can be flooded with steam in five seconds.

When the gas first leaves the ovens, it is necessary to reduce the temperature. The first step is to have the gas pass through a series of pipes surrounded by water, the water absorbing the heat from the gas. The gas then passes up through a cylindrical tower filled with wooden grids, called the scrubber. Water sprayed in at the top of the tower wets these grids and absorbs the ammonia and ammonium compounds, and removes some of the hydrogen sulphide and other gas impurities. The ammonical liquid drops to the bottom of the cylinder and is drained off.

To remove the remaining hydrogen sulphide, the gas is next forced through purifiers, which are large steel boxes equipped with wooden trays upon which a mixture of wood shavings and oxide of iron, or iron rust, is placed. The shavings keep the iron oxide porous so that the gas will be brought into intimate contact with the oxide. As the gas passes through the oxide, the hydrogen sulphide unites chemically with the oxide and produces iron sulphide, a solid which remains in the purifying box, while the gas passes on. A box which has absorbed its limit of sulphide is shut off from the gas, opened to the air and in time is ready for use again.

Manages Hamilton Properties

A. T. LEAVITT,
vice-president and general manager of the Hamilton operating companies, who has an international reputation as an expert in coke-oven construction and operation. Mr. Leavitt, who was chief engineer with the Semet-Solvay Co. for many years, supervised the construction of the first unit of 25 ovens at Hamilton for the Semet-Solvay Co. and he was the contractor for the second battery of 35 ovens. On completion of this second job he was invited to remain as general manager of the coke company. Mr. Leavitt is an engineer by profession.

Coke to Solve Central Canada Fuel Problem

Success of Hamilton Enterprise Seems to Point Way for Ontario

DOUBLE PLANT'S SIZE

In a recent paper presented to the Canadian Gas Association the following statements appear:

Of the various problems which Canada has faced during its growth probably none has received more continuous consideration than that of fuel supply for the central portion of Canada made up of Ontario and Western Quebec. This central area has come to be known as Canada's critical fuel area, far removed from the Nova Scotia and Alberta coalfields and having no coal resources of its own.

Geographically, there are abundant supplies of coal within reasonable distances of this central area, but these coalfields lie in that central portion of the United States made up of Kentucky, West Virginia and Pennsylvania, and are separated from Ontario by the Great Lakes and intervening mountain ranges. The transportation of fuel from these areas has been subject to interruption due to interference with traffic by strikes or extreme weather conditions and failure of supply due to labor troubles in the coalfields themselves.

For many years this portion of Canada depended for its winter fuel supply for household use upon the Pennsylvania anthracite fields and, to prevent actual suffering, it has long been the practice to store a sufficient supply of domestic fuel during the summer months for use during the winter season. The depletion of the areas together with recurrent interruptions have been matters of serious concern to Dominion and Provincial authorities.

Anthracite coal had dominated the Canadian market until the advent of by-product coke which has all the qualities that have made anthracite so popular; these qualities being ability to stand shipment and storage without breakage or loss and the ability to withstand weathering without deterioration, as well as lack of volatile matter which causes annoyance from smoke.

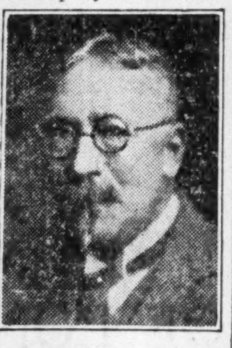
The Dominion Government through its fuel board had suggested a method of relief through the construction of by-product coking plants in Canada, but it was not until the natural gas fields of Ontario appeared to have failed and the general fuel situation was agravated that the construction of by-product coking plants for the production of fuel could be justified in Southern Ontario. The acute gas shortage during the winter of 1920 and 1921 brought about negotiations which resulted in construction of a by-product coking plant owned and operated by Hamilton By-Product Coke Ovens, Ltd. The growth and importance of this industry has been so remarkable as to bring marked attention to it even in an industrial city such as Hamilton with its diversified manufacturing undertakings.

The original plant of the Hamilton By-Product Coke Ovens began operations in 1923. This plant had a coal

(Continued on page 20)

Judge Gauld Was Pioneer of Company at Hamilton

Judge John G. Gauld has been connected with the United Gas and Fuel Company of Hamilton since its inception, acting as its solicitor until he was appointed to the bench, March 17, 1917. Through his close association and his knowledge of the affairs of the company and intimate knowledge of its beginning and progress to a position as one of Hamilton's leading concerns, Judge Gauld's connection with the company is of great value.



JUDGE GAULD

Judge Gauld was born in Meaford, Ont., but early removed to Hamilton, where he secured his schooling, and is considered more of a Hamiltonian than some of its native sons. In his younger days he was prominent as an oarsman and cyclist and enjoys displaying the numerous trophies he has won in these sports.

Judge Gauld studied law with the late J. W. Nesbitt, K.C., and was a partner of Mr. Nesbitt for many years.

Head of Union Co. In Gas Business For Many Years

S. A. Morse Joined Present Enterprise in 1915 After Varied Experience

S. A. Morse, president, general manager and treasurer of the Union Gas Co. of Canada, is one of the younger executives of utility enterprises in Canada. He is 41 years old.

Though born in the Maritimes, Mr. Morse's early years were spent at Niagara Falls, Ont. His first business experience was gained with the Canadian Pacific Railway in Winnipeg between 1907 and 1909. In the next six years he was connected with the American Cyanimid Co. at Niagara Falls, Ontario.

In 1915 Mr. Morse joined the Union Natural Gas Co. and became its secretary and treasurer two years later. He became general manager in 1923 and president in 1928.

In addition to his offices with the Union Gas, Mr. Morse is president of United Fuel Investments, Windsor Gas Co., City Gas Co. of London and the operating companies in Hamilton.

He is active in the social as well as the business life of Chatham and is secretary-treasurer of the Natural Gas & Petroleum Association of Canada.

Drilling Not Always Shallow

Drilling for natural gas in Ontario is not always a shallow operation, the wells being of various depths ranging between 500 and 3,500 feet. The majority of the wells of the Union Company are in the neighborhood of 1400 feet deep.

The Haldimand field wells are between 500 and 1,000 feet deep.

The Tilbury field wells are between 1,250 and 1,400 feet deep.

The Dawn field wells are between 1,550 and 2,200 feet deep.

The Dover field wells are between 3,000 3,750 feet deep.

In drilling Trenton Formation wells in Ontario the depth varies from 3,000 to 4,000 feet.

United Suburban Co. Serving Lake Shore As Far As Oakville

Sales of Gas Said to be Growing Satisfactorily — Investment $300,000

United Suburban Gas Co. is a wholly owned subsidiary of United Fuel Investments which was organized in 1929 for the purpose of distributing gas to the municipalities of Oakville, Burlington Beach, Bronte, Nelson and Trafalgar.

The company has been in operation since October, 1929. The transmission line is about 25 miles long, from Hamilton to Oakville, and the gas from the Hamilton By-Product Coke Ovens is being distributed throughout this territory

It is understood that the capital investment is in the neighborhood of $300,000 and that the sales of gas have been growing satisfactorily.

Since 1850—

United Gas and Fuel Company and its predecessors have been serving Hamilton for more than eighty years.

Since 1924—

As a result of a new compact with the City of Hamilton (made necessary by the apparent failure of the natural gas supply), United Gas and Fuel has been able to meet all the demands of its consumers since 1924, and its affiliated company, Hamilton By-Product Coke Ovens, has made available to the public a large supply of highest grade domestic coke.

Since 1929—

The United Suburban Gas Company has been serving municipalities between Hamilton and Oakville.

Since 1930—

A new supply of natural gas has become available to Hamilton through the purchases of producing wells and acreages in the Haldimand field.

In the Present Year—

New franchise rights have been granted United Gas and Fuel, which enable the Company definitely to plan for an expansion to aid and accompany the inevitable and substantial growth of the Hamilton area.

United Fuel Investments Limited

Controlling

United Gas and Fuel Co. Ltd. Hamilton By-Products Coke Ovens Ltd.

The United Suburban Gas Co. Ltd.

LONDON, SARNIA, CHATHAM ARE SERVED BY UNION UNITS

City Gas, London Plans Extension to Serve Public

Company is Under Management of Grandson of Founder of Company

OPERATING SINCE 1864

Coke Screening Methods Improved by Use of Latest Equipment—Additional Property is Acquired

City Gas Co., of London, Ont., now serving approximately 14,000 customers, has 142 miles of mains ranging in size from four to fourteen inches and approximately 200 miles of service mains. The company has three gas holders with a capacity of 600,000 cubic feet.

A number of improvements are to be carried out and work on some of these has started. Not long ago the company completed negotiations for the purchase of all the property it did not own in the block bounded by Ridout, Bathurst, Thames and Horton Streets. A number of old dwellings have been torn down and work is under way on a new coke screening plant of the latest type, and alterations and improvements are being made to the gas-producing equipment. This plant has a capacity for carbonizing 95 tons of coal daily and, in addition, 600 gallons of gas oil daily. More than 100 employees are on the payroll, including those at Horton St. and at the company's offices at Clarance and Dundas Streets.

Gas is supplied to London consumers at $1.10 per thousand cubic feet. This price is interesting in comparison with the rate charged when the company started business 75 years ago. At that time bills were computed in Halifax currency and the first one is still among the records of the firm, and shows that the rate was 25 shillings, with 20 per cent discount, on gas only.

Uses Oven Coke, Sells Some

Much of the company's coke is utilized under its boilers and the supplies available for sale are augmented by importation. Turnover in this department is large, especially during the winter months.

The company also maintains, in premises immediately adjoining its offices on Dundas Street, a large and complete show room for gas stoves and appliances. Located in the heart of the downtown section and with windows always attractively arranged with the latest ranges and gas labor-saving devices, this has been the means of developing a retail trade that runs into substantial figures.

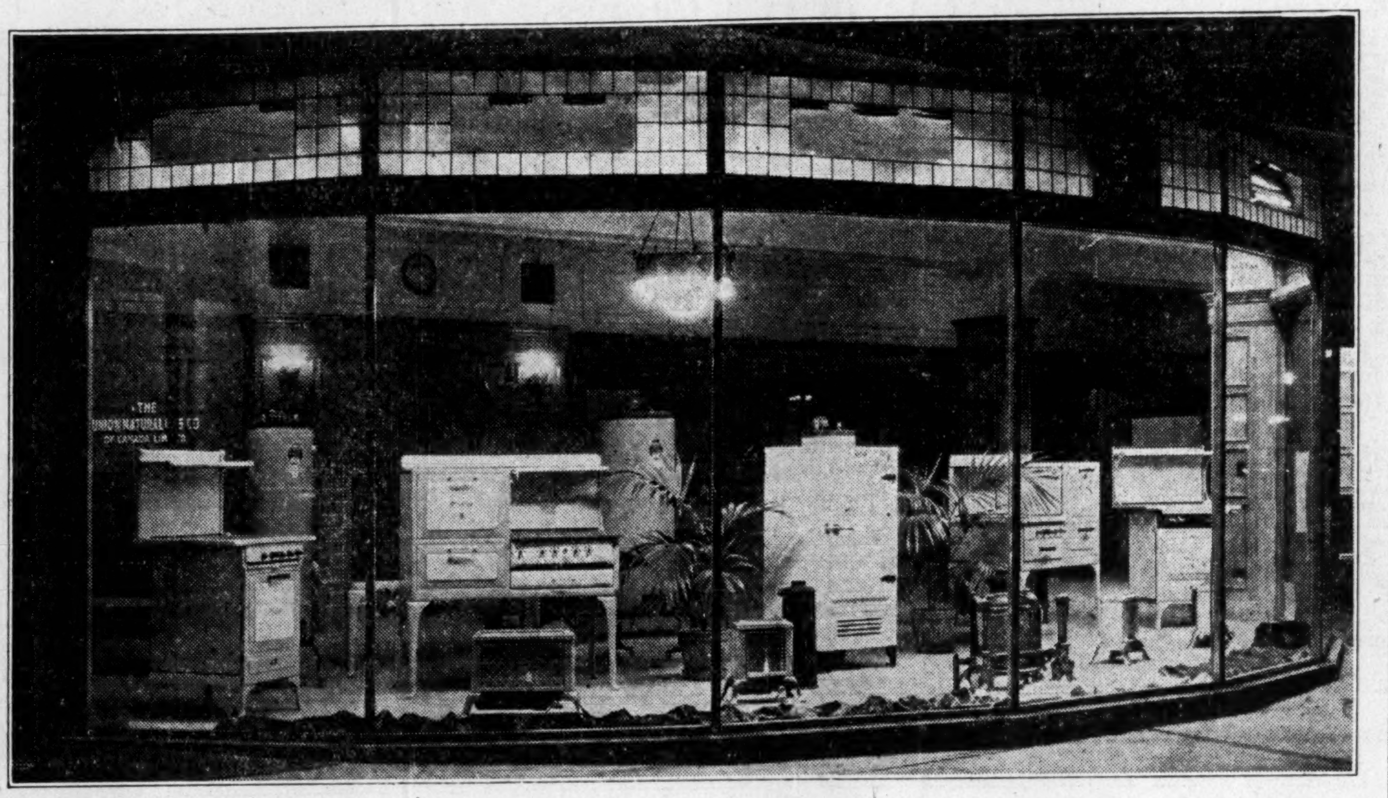
The entire London business is under the management of William L. Duffield, a grandson of the founder of the company.

Incorporated in 1864

The company was originally incorporated in 1864 under special act of the legislature. The public investment interest in the company is confined to the 6 per cent first mortgage bonds, which were issued in 1927 and are due in 1947. The amount outstanding as at March 31, 1931, was $233,500 out of an authorized issue of $250,000.

Until the purchase by the Union Gas Co. all of the capital stock of the company was owned privately, the company has not been in the habit of publishing financial statements. It was stated, however, at the time of the bond issue that earnings in each of the previous five years were more than three times the bond interest requirements. The property is believed to have been valued around $2,000,000 when it was acquired by Union Gas Co. a year ago.

One of Finest Show Rooms is at Chatham



This is the splendid show room of the Union Gas Co. in the head office building at Chatham. This is a view from the street. In the background are the cashiers' wickets and other facilities for dealing with the public.

Sulphur Removed From Natural Gas By Union Company

Process Used for Manufactured Product Adapted by Thorough Experiment

It is a sulphur gas which is produced from the wells in Southwestern Ontario. This hydrogen sulphide gives off an offensive odor and its effects on pipes, regulators and equipment were such as to add materially to maintenance.

But since December 1, 1924, users of the Union company gas have had the benefit of a purifying plant. The purification of the gas has again made possible the use of copper-coil heaters, open room-heaters and open-top stoves. There is now no disagreeable odor from minute leaks and complaints of injury to paint on houses and of corrosion of telephone lines, stoves, and stovepipes have been eliminated.

While the purification plant of the Union Gas Co. at Port Alma is not the only one now in existence, it was the first, and the experiments which resulted in its construction were made by the Koppers Company at the request of the Union Company.

Some years ago one of the other companies in the field evolved a process of purification. It was efficient but the chemicals used had a very corrosive effect on the purification equipment and made the operation so costly that the scheme was abandoned after $190,000 had been spent.

The method now in use is described in detail in the Ontario gas report for 1924. The Koppers process was developed originally for the purification of coke-oven gas and had been used successfully in the manufactured field for some years before the problem of the natural sulphur gas was attacked. Natural gas must be treated under higher pressure than manufactured gas and there is a higher percentage of sulphur.

Washed With Soda Ash

The process as finally developed consists of washing the gas with a solution of soda ash, whereby the hydrogen sulphide is converted into sodium sulphide.

The total heating value of the gas is thereby raised from 1,018 to 1,060 British thermal units per cubic foot.

Gas High in Heating Quality Produced by Union Companies

In heating quality, natural gas is the most efficient fuel available for household and industrial use. The unit of heat values is the British thermal unit, or "b.t.u." The natural gas produced and distributed by Union Gas Co. in the Border Cities, Chatham, Sarnia and smaller places, averages 1,045 b.t.u. per cubic foot. The gas costs the consumer from 62 to 73 cents per thousand cubic feet, according to the locality, distance from the wells and other factors which are adjudged under the auspices of the natural gas referee for Ontario.

Manufactured gas in Canada must be of a standard of not less than 450 b.t.u. per cubic foot, which would seem to indicate that natural gas on the basis of heating value is worth approximately twice that of the standard manufactured product. However, most gas-manufacturing plants produce a gas which is above standard. In 1929 the average in London was 506 b.t.u., while in Hamilton it was 524 b.t.u. Both of these companies produce a gas which is not only above the standard but is above the average for all of Canada. That average is 495 b.t.u. Some 33 gas plants between Halifax and Vancouver are inspected by the Dominion authorities.

Convenience is Asset

Coke and certain other fuels which are cheaper than anthracite come into competition with natural gas of 1,000 b.t.u. or higher when the natural gas is sold at 60 cents or more per thousand cubic feet. However, when the greater convenience of the natural gas is taken into consideration — and when it is used with modern furnaces and other appliances built especially for gas—it is probable that many users continue the gas service even when it is slightly more expensive than other fuels.

For all consumers who are sufficiently well-to-do to provide themselves with the convenience of gas heating, the main question is one of supply. Until a few years ago there was a constant danger that the gas supply would be inadequate on the coldest days and for this reason many householders in centres close to the natural-gas fields were users of anthracite and similar fuels. In recent years, however, the Union Gas Co., because of its success in finding new sources of supply and because it has taken over and improved several of the companies actually distributing the gas in the urban communities, has been able to provide adequate service. This fact has been building goodwill which in time should not only increase the use of natural gas for cooking purposes, but should add materially to the consumption for heating homes.

Head Office Building Union Gas Company Is Fine Structure

One of the finest buildings in Chatham is the head office of the Union Gas Co., an ell-shaped, two-story structure at Fifth and Llewellyn Streets. The building was completed in the spring of 1928 at a cost of nearly $150,000.

The second floor of this building is the administrative headquarters of the entire Union Gas system, with offices for the president and other officers, as well as other executives such as the general superintendent, head of the engineering department and accounting divisions. The offices are attractive and efficiently arranged and some space is provided for expansion.

The main floor front includes one of the finest retail display rooms in the gas industry on this continent. Various appliances for domestic use are displayed here where they can be seen by anyone paying bills or transacting other business with the company. There is a second display room in the basement for the showing of furnaces and such other equipment as ordinarily is housed in a basement.

Of course, the building is heated with gas. There is a specially built gas furnace connected with the steam system. The furnace is controlled by a thermostat.

Throughout the building is of especially heavy construction with the idea that, when necessary, two or more storys can be added.

The front and Llewellyn Street sides of the building are faced with Indiana limestone and the rest of the structure is faced with brick. The floors on which there is the greatest traffic are terrazo and the others are covered with linoleum. Interior trim is quarter-cut oak and figured gumwood.

Management of London Company

COLIN M. DUFFIELD,
First Vice-President.

WILLIAM L. DUFFIELD,
Vice-President and General Manager.

Present representatives of a family which has been in association and control of the gas business in London since 1878. In that year the London Gas Lighting Company was formed with William Duffield as president and managing director. Under his direction the business was enlarged and the present City Gas Company of London was formed. His two sons, James C. and William A. Duffield, came into control in 1899 and were succeeded in 1918 by Colin M. and William L. Duffield, sons of James C. Duffield.

Coke to Solve Central Canada Fuel Problem

(Continued from page 19)

carbonizing capacity of 450 tons of bituminous coal per day, producing foundry and domestic coke, ammonium sulphate, tar and gas which was so sorely needed to augment the failing natural gas supply upon which Hamilton had depended. The result obtained from this original installation and the demand for its product necessitated an immediate enlargement which increased the coal carbonizing capacity to 1,000 tons of coal per day with a corresponding increase in the output of ammonium sulphate and the other products.

For the proper production of coke the blending of four kinds of coal is necessary. These coals are as carefully compounded, mixed and ground together as is the case with a druggist's prescription, and the handling of this enormous quantity per day requires equipment for grinding, blending and measuring of the highest type. The mechanical appliances at the plant of the Hamilton By-Product Coke Ovens have been so perfected that 1,000 tons of coal can be unloaded, ground prepared and stored for use in the coking chambers by a force of five men working one shift.

Treatment By Heat

Ground and prepared coal is placed in silica brick chambers approximately 30 ft. long by 12 ft. high by 15 ins. wide where it is subjected to a heat treatment at approximately 2,400 deg. Fahr. This temperature is sufficient to render all the coal plastic to about the consistency of bread dough before baking. During this plastic state all the volatile matter, including the tar vapors, benzol vapors and ammonia gases, is liberated. Strange as it may seem, these products are all included in the smoke such as can be seen escaping from any chimney or smoke stack consuming soft coal. The scrubbing, cleaning, and recovery of these products from the dirty yellow smoke evolved from the coal is an amazing and fascinating accomplishment.

Following the path of the gas as it leaves the coking chambers, tar is first condensed, decanted and stored in tanks ready for shipment to the tar refining plants where a wide variety of roofing and paving materials, dyes, chemicals, medicines and other products are recovered.

The next step in the process as carried out at the plant of the Hamilton By-Product Coke Ovens is the recovery of ammonia in the form of ammonium sulphate, a fertilizer now used throughout Ontario tobacco fields with such marked result. The gas having given up the tar and ammonia is next washed with cold water and scrubbed with oils which remove the benzol vapors. This product of coal known as motor benzol when blended with gasoline increases its effectiveness by 25 per cent for use in motor cars.

Sarnia Early Becomes User Of Natural Gas

Service Greatly Improved in Recent Years by Union Company

METERS NUMBER 5,000

Ratio of Customers to Population is One of Highest in Whole System of Company

Sarnia by the logic of events was one of the first places in Canada where natural gas was used for domestic and industrial purposes. Sarnia previously had become the centre of the oil industry in Canada and it was inevitable that when the drillers for oil realized that they were wasting a valuable asset, a pipeline for gas was built to Sarnia.

William Williams, who for 20 years had been a merchant in the community, became head of the Sarnia Gas Co. His son, J. B. Williams, is the local superintendent of Union Natural Gas Co.

Acquired by Union

Sarnia Gas Co. was the first of the local distributing companies acquired by Union Gas Co. This was in 1924 and since that time great strides have been taken to perfect the service to the city. There are now virtually no complaints as to service.

The population of Sarnia is nearing 20,000 and the number of connected meters is in the neighborhood of 5,000.

An additional eight-inch transmission line has been constructed and regulator stations built in order to maintain a constant pressure.

The Sarnia distribution system is now operated, as are those of Chatham, Wallaceburg and Petrolia, as an integral part of the Union Gas Co. system and the charters of the former local distribution companies have been, or are about to be, surrendered.

Three Years Before Confederation

CITY GAS CO. OF LONDON was organized three years before the confederation of the Canadian provinces into the Dominion of Canada. Since 1864 City Gas Co. of London has been serving the public, and today 90 per cent of the homes and many of the most important industries of the district are using gas.

Service is efficient because of constant attention to maintenance of plant and equipment. Improvements now under way will enable the company in the future, as in the past, to meet the needs of the city and district.

CITY GAS COMPANY
OF LONDON

GOVERNMENT AIDS IN STABILIZING NATURAL GAS INDUSTRY

Drilling History Tale of Rewards From Persistence

Dry Holes Do Not Discourage Company in Search for Gas

TILBURY IS BIGGEST FIELD

Union Also Interested in Haldimand, Dover, Dawn and D'Clute Areas —Hamilton to be Served

A well in Raleigh township, just across the line from Tilbury East, was the development which founded the fortunes of the Union Gas Co. of Canada. Hundreds of other holes have been punched by this company, its predecessors and affiliates, but the old Raleigh No. 7 had more to do with the progress of the company in its early days than had any other operation.

Eugene and D. A. Coste, whose names are inseparably linked with the development of the natural gas industry in Canada, had been interested in the Leamington oil and gas field, and also the Welland field. By 1905, some drilling near Fletcher attracted their attention. A syndicate was formed and several dry holes were drilled in Tilbury. But the seventh hole in Raleigh was an excellent gas well.

For a time it produced 6,000,000 cubic feet per day and Chatham was supplied. Within two or three months, however, it was found that this well was quickly turning to oil, and two other wells of the company which had just been completed were hurriedly connected to save the situation.

In a sense, the transformation of this well from gas to oil was a disappointment, but it nevertheless laid the foundation of the Volcanic company's success; the oil gave a steady revenue which enabled the young company to finance other drilling operations.

From that day until the present the Volcanic and its successor, the Union, have been prime factors in the development of the industry. They have drilled continuously and experimented broadly, often in the face of discouragement, with the result that today the consumers are assured of an adequate supply at all times and the history of these drilling activities is largely a history of drilling in Essex, Kent and Lambton counties, especially as the Union Company was a merger of Volcanic and of two other companies which also had met with considerable drilling success.

In 1907, the Volcanic Company extended into the township of Tilbury East and from then until the present this has been the main producing field in Southwestern Ontario. The Union Company (successor to the Volcanic) also located and originally developed the Dover and Dawn fields, to the northwest and north of Lake Erie.

In Romney Township, on the shore of Lake Erie, the Canadian Gas Co. in 1907 secured a well with a daily production of 7,000,000 cubic feet. This well stimulated drilling activities and brought further companies into this area. J. S. Ainslee & Bros. obtained a well with a production of 4,500,000 cubic feet in Tilbury East which property was bought by the Volcanic. The Ridgetown Fuel Supply Co. and the United Fuel Supply Co. between 1908 and 1912 drilled some 30 wells and were important factors in the development of the area.

The need for a merger to consolidate the holdings and prevent wasteful drilling had long been evident and in 1912 there was an amalgamation of the Ridgetown, United and Volcanic operations, forming the Union Natural Gas Co. The Volcanic Company continued as a holding company, owning 55 per cent of the stock of the Union Company.

Acquires Canadian Gas Co.

The Canadian Gas Co. was another company which was an important factor in the field. By 1920 it had 42 producing wells. In that year it was bought by the Union Company.

In 1919, the Fletcher pool, the original discovery of which led to the development in the area, was abandoned.

Union Natural Gas since 1912 has drilled extensively in the Tilbury field. Up to 1930 no less than 283 wells had been drilled, including those taken over from other companies. Of these 283 wells, 192 are still producing the principal supply which is distributed through the company's territory.

D'Clute Field Promising

The D'Clute field, which is five miles east of the well-defined Tilbury field was discovered first in 1910 when the Ridgetown company drilled a well in Lot 146 on the lake front in Raliegh township. This well produced gas at 1,430 feet, but was not of a large nature. It was deepened to 1,510 feet without improvement. There was no further drilling until 1929 when the Union company got a good supply of gas from this hole by deepening only ten feet.

There are now 12 producers in the D'Clute field.

The Dover field north of the Thames River was discovered in 1917. The first well was drilled to a depth of 3,185 feet, obtaining its production in the Trenton formation. This well gave 5,500,000 cubic feet of gas daily and later produced 50 barrels of oil daily.

The Union company later drilled 22 wells in this district, of which eight were producers and of which five continue to produce.

The Dawn field, although it has come into prominence only recently, has been known since 1914 when the Fairbanks interests of Petrolia drilled a well near Oil Springs, in the the Township of Enniskillen, which had an initial production of 16,000,000 cubic feet per day. The Oil Springs Oil & Gas Co. drilled an offset within 200 feet of this phenomenal well and encountered an exact duplicate. But both wells had petered out in less than a year.

When the Union entered this area it drilled no less than eleven dry holes. The twelfth, however, drilled in the Township of Dawn, was a 2,000,000 cubic feet producer and this encouraged continued drilling. Up to 1931, the Union company has drilled 54 holes in this field and it has 21 producers. Of these, two recently drilled are said to be the largest ever found in Ontario.

175 Producers in Haldimand

The company has drilling rights on some 400,000 acres of land in Southern Ontario in the counties bordering on and north of Lake Erie. Drilling is continued in all of the older districts and the company's geologists are continuously watching and studying the possibilities elsewhere.

Acquisition of control of United Fuel Investments of Hamilton in 1930 led to the immediate purchase of producing wells and leases in Haldimand county. Haldimand has been a gas producer for over 40 years but it is believed that the reserves in that area are still substantial.

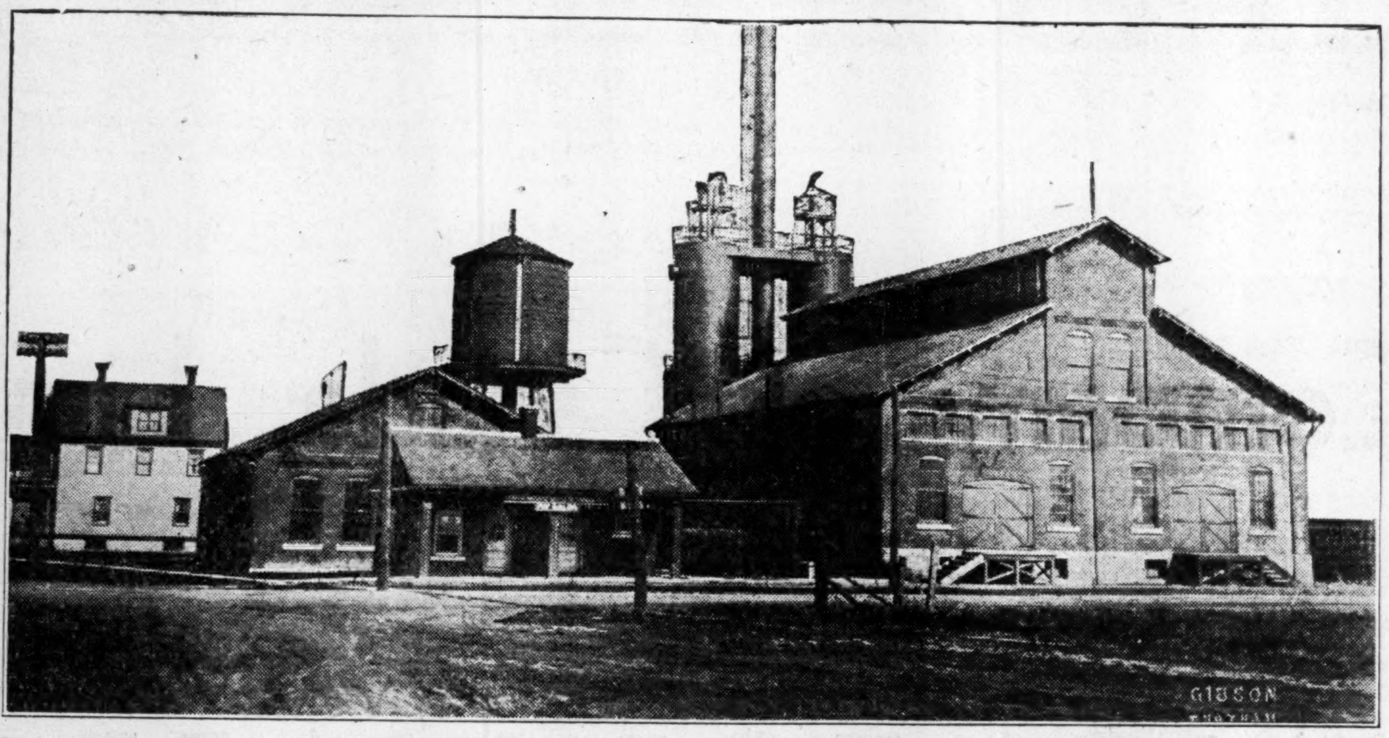
The company now has 140,000 acres of leases in Haldimand, where it owns about 200 producing wells and is drill- others. The firm of Eugene Coste and Company, gas and oil geologists of Toronto, are the consulting geologists of the company. The possibilities of further developments in natural gas fields and the geology of the Southwestern Counties are being continually studied by this firm with a view to extending the producing properties of the Union Company.

The primary use for gas is in homes, for cooking and heating water. There are an increasing number of homes where gas is used as the main source of heat. Gas companies have been active in promoting the manufacture of furnaces and other appliances assisting in the economical use of gas.

Two Veterans in Gas Service

Here is John Head, who has served the gas company in Chatham for more than 48 years, and beside him is a length of wooden pipe once upon a time used for the transmission of gas in Chatham. The pipe was recently discovered in laying a new main. Wooden pipe has not been used for many years and previous discoveries have been of short lengths only. The pipe simply was a bored log, painted with tar, covered with cotton and painted a second time with tar.

Where Sulphur is Removed from Natural Gas



At Port Alma, near the Lake Erie shore, is the Tilbury field headquarters of the Union Gas Co., at which point the purifying plant, compressor station and field warehouses are located. All the gas from the Tilbury field goes through the purifying plant, which was the first of its kind ever built.

Laws Protect Gas Sellers and Public

(Continued from page 15)

Conservation was discussed but not practised.

Conditions have changed. Exports were stopped many years ago. Waste has been reduced to less, probably, than the loss of electric current from long-distance transmission lines. A heterogeneous collection of independent producers lacking efficiency has been welded into stronger organizations which operate economically. In the interest of conservation — the proper use of a national asset—the government directs and supervises the industry from the beginning of drilling to the establishment of rates to the ultimate consumer. Stating it to be in the interest of the public, the Ontario legislature in 1931 assumed supervision over competitive situations. The Government now has authority, if deemed advisable, to prevent one gas company from duplicating mains in a territory already served by another company.

No More Price Wars

The same law stipulates that rates put into effect must be approved by government authority. This means that price-wars—the cost of which always are paid either by the consumers or the investors or both—no longer will be possible. This as the Hon. Chas McCrea said in effect protects both the public and the investors.

The first Ontario law affecting in a material way the natural gas industry was passed in 1919. It was superseded by the 1921 act, which directs that the minister of mines:

"Shall control and regulate the production, transmission, distribution, sale, disposal and consumption of all natural gas produced in Ontario."

Section 5 of this act empowers the minister to make orders and regulations for:

The closing and cutting off of the supply of natural gas to any corporation, company or individual.

The construction, alteration or useof any works, machinery, plant or appliance in and for the development, production, transmission, supply, distribution, measurement or consumption of natural gas.

The cutting off of the supply to consumers generally, or to any consumer or consumers in any locality for such periods or at such times as he may deem proper.

The limiting or restricting or taking away any right conferred upon any person to the use and consumption of natural gas without charge, and for the payment of such compensation to such person as he may deem proper in respect of such limitation, restriction or taking away.

The allotting or supplying of gas to consumers or persons generally or to any consumer or consumers, person or persons in any locality for such periods or at such times as he may deem proper.

The closing down and stopping up of any natural gas well or any works for the production, transmission, distribution or supply of natural gas.

Requiring returns to be made by any person producing, transmitting or distributing natural gas and the particulars to be included in the returns.

Compelling the installation of such appliances by consumers of natural gas as he may deem requisite for preventing waste.

The commissioner is the official under the minister who has direct supervision of this branch of the department of mines. The referee has authority to fix rates charged for natural gas and also has the right to compel "the owner, lessee or licensee of a pipeline to take gas produced by any person or corporation at such price, in such quantities and on such terms as may be fixed by him."

All this related specifically to natural gas and the reasons for the enactments grew from complaints of poor service in communities which had been served with this commodity. The 1931 enactment supplemented and clarified the Government's authority over competitive situations. The Government has authority to prevent the construction of any works to supply natural or artificial gas in any municipality, whether already supplied or not. This fact is of vital interest to investors in manufactured gas companies, as well as in natural gas companies, especially as, with the case of Union Gas, there is a merging of interests with a view to economical production and distribution of both kinds of gas. The act also covers mixed gas where the mixture contains not more than 50 per cent of manufactured gas.

Regulation Encourages Development

In the last ten years there have been many hearings as to rates and service, sometimes at the request of the companies and sometimes at the request of municipalities or individual consumers. In the course of this period there has been evolved a procedure and a number of precedents which have improved the service. This improvement in service has been brought about by:

(1) The assurance that no gas company shall be forced to maintain rates below cost and

(2) The development of new sources of supply which has come with the assurance that an adequate return on a reasonable investment will be allowed.

The Ontario government under an act to regulate the boring and protection of gas wells, passed in 1924, supervises the plugging and protection of dry and abandoned wells and the boring of new wells. No gas well is allowed to remain open unless the gas is being utilized. The mains are subject to official inspection and owners thereof are obligated to make repairs stipulated by the public authority.

Supply Greater Now

The original regulations were based on the belief that the supply of natural gas was limited and waning. Since 1922, however, as has been demonstrated elsewhere in these columns, the laws and regulations have encouraged new development, with the result that the government has permitted expansion of distribution systems and the Union Gas Co., for one, has been able to expand its sales for the heating of homes. The government grants permits for the use of natural gas for industrial purposes in such quantities and at such times as the supply of natural gas for domestic purposes is not threatened.

Inspect All Equipment

The Union Gas Co. has carried on educational work for the purpose of inducing consumers to use the most efficient types of gas appliances in homes and elsewhere. The government's regulations in respect to this have been helpful. Wastefulness in consumption is frowned on and, in some instances, prohibited by law. It is, for example, contrary to the regulations to use an open gas flame under an ordinary type of steam boiler.

In Dawn Field, Union Owns Two Big Wells

The Dawn Field, where the Union Company has considerable interests, now supplies municipalities of Wyoming, Inwood, Alvinston, Florence, Thamesville and Bothwell. This is new territory for Union Gas and it is stated that excellent progress has been made in securing customers.

Two of the largest gas wells ever discovered in Ontario were recently brought in by Union Gas in the Dawn field. The success achieved in 1929 in the D'Clute field has resulted in further drilling.

Union Gas Co. Among Largest in All Canada

(Continued from page 15)

for at least 25 years. There is good reason to believe that existing fields can be developed further and that new fields will be brought in.

Future Seems Assured

Three years ago, Union Natural Gas Co. depended for its existence on the supplies of natural gas. Whatever the extent and possibilities of the natural gas fields, there was a question as to the future of the industry. Today, Union Natural Gas Co. has become the Union Gas Co. and is largely interested in the manufacture of gas, a phase of the industry which is capable of unlimited expansion should the natural gas again threaten to fail.

A few years ago, Union Natural Gas was largely a producer and wholesaler of gas, dependent for its growth on the efficiency and goodwill attained by distributing companies in the larger centres in its territory. Today it is the distributor in Chatham, Windsor and Sarnia, and all other places to which its transmission lines run and consumers now are getting first-class service.

All Gas Purified

Prior to 1925, all the gas distributed in the southwestern counties gave off offensive odors in burning and pipes and other apparatus were rapidly corroded. For the last seven years, users of the Union company's gas have had the benefit of the operation of a purifying plant—the first of its kind to be installed in Canada—which makes the gas the equal of the sweet gas obtainable naturally from the Haldimand and Welland fields.

Until recent years there were frequent complaints of gas shortage in such important markets as Windsor. Today Windsor is served by a duplicate pipe line, by adequate storage facilities within the city limits and by an oil-gas standby plant, the combination of which give complete protection to the Border Cities' consumers.

Up to a few months ago a competitive situation in Hamilton militated against continued profitable operations of United Gas & Fuel Co. Today this company has an exclusive franchise within the city, excepting in that part which formerly was the township of Barton.

Thus the outlook has changed.

It has changed because the management is aggressive and forward-looking and because the Ontario legislature by its conservation measures has minimized wastefulness in production and distribution of natural gas and by its adherence to the sound principle that capital invested soundly in legitimate enterprises is entitled to protection and a reasonable return.

Always Seeking More Gas

There are in existence producing gas wells 30 and 40 years old. But the average well is commercially profitable for only fifteen years and some live only a few months. Besides, many dry holes, costing $15,000 to $20,000 are drilled.

The fact that wells peter out and whole fields fail makes it necessary for a management to expend a substantial proportion of its revenues in drilling. It must be constantly drilling in existing fields and surveying the possibilities of new fields. If a natural gas company would live, it must provide sources of supply years in advance of the demand from the consumer. Moreover, it must be ready—if it is to share in the task of heating homes and cooking the meals of a multitude—for a peak load that comes only few times a year, on the coldest days of that year. In fact, it has given less than adequate service if it fails to supply all the gas that the consumer needs on the one excessively cold day that may occur only once in five years.

Union Gas Co. since it has had the assurance of an adequate return on its reasonable investments has striven with the largest measure of success to attain the acme of possible service. And it has, moreover, fortified itself as an investment, as a continuing enterprise in an increasingly important phase of public utility enterprises, by securing control of, and establishing on its own account, facilities for the manufacture of, and establishing on its own account, facilities for the manu- manufacture of gas to retain, supplement and expand the Western Ontario market for gas.

Meets Electric Competition

In this province gas has had a severe competitor in electricity for domestic purposes; probably nowhere else in the world is there such a large proportion of homes using electricity for cooking and heating water. And nowhere in the province has electricity been delivered to homes at lower rates than in some communities in which the Union Gas Co. has been operating. Up to 1925 it appeared that the gas supply in the Southwestern Counties was waning and there were complaints as to service. Thus coal and, latterly, fuel oil, have been compeitors for the house-heating load.

In Chatham the gas company has 4,000 customers of a population of 16,000; in Sarnia and other markets of the Union Co. the proportion is the same. Natural gas has held its own in this competition, and with an adequate supply seemingly assured it can be expected to gain substantially in the house-heating load.

Company's New Name Is More Descriptive

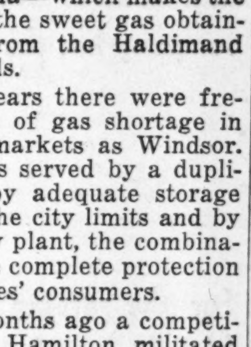
Union Gas Co. of Canada is the new name of the operating and holding company under which the greater part of the natural gas is produced and distributed in Southwestern Ontario and which now controls United Fuel Investments, Hamilton, and City Gas Co., London.

The company until recently was the Union Natural Gas Co., but it was decided to eliminate the word "natural." This is more accurately descriptive, since at both Hamilton and London the company now is interested in the manufacture of gas.

At Windsor, too, the company owns a gas manufacturing plant. This is a Dayton oil-gas plant, one of the largest and most modern on the continent. It is a plant, however, which is entirely a standby and is used only for peak loads in the winter months. It was not used at all in the last winter, the supply of natural gas being sufficient for the coldest days.

McNevin General Counsel For Co. and Subsidiaries

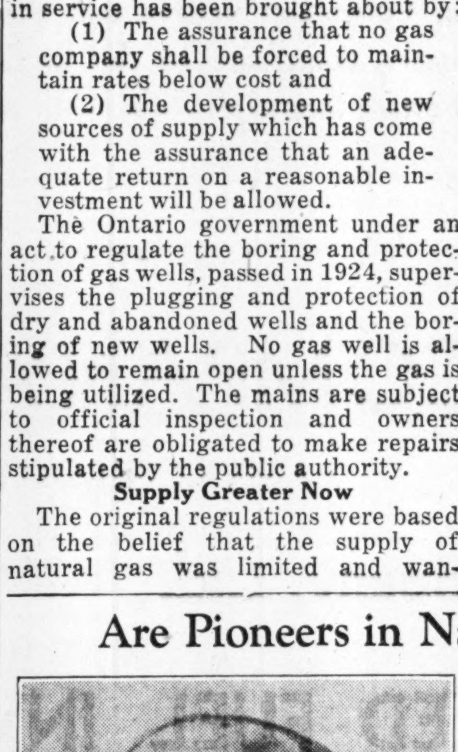
J. A. McNevin, K.C., is general counsel for Union Gas Co. of Canada and subsidiary companies. Mr. McNevin has been associated with the Union Gas Co. since 1912, when he entered into partnership with the late Judge J. G. Kerr who, at the time, was general counsel of the company. Mr. McNevin is now the senior member of the firm of Kerr, McNevin & Kerr, of Chatham, Ont.



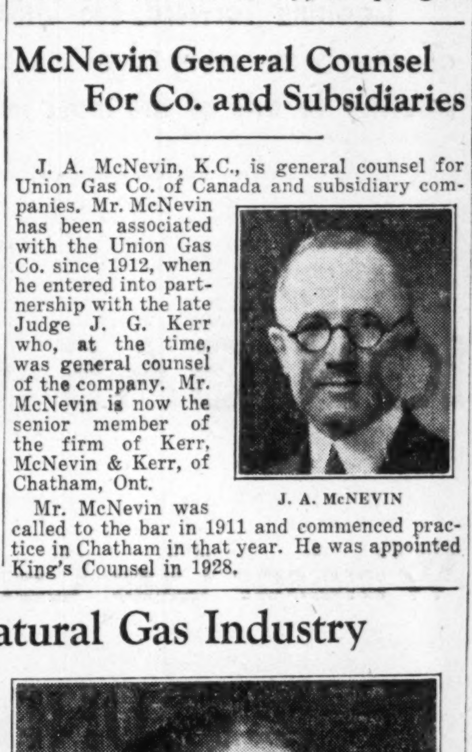
J. A. McNEVIN

Mr. McNevin was called to the bar in 1911 and commenced practice in Chatham in that year. He was appointed King's Counsel in 1928.

Are Pioneers in Natural Gas Industry



EUGENE COSTE, M.E.,
Geologist.



D. A. COSTE,
First Vice-President.

The two brothers who commenced operations for natural gas in the Kingsville district, in 1889, and who are chiefly responsible for the development of the natural gas industry in Canada. They are both active in the Union Gas organization.

Union Companies Serve Many Ontario Places

Union Gas Co. serves from the Tilbury, D'Clute, Dawn and Dover fields these communities:

Windsor, Walkerville, East Windsor, Riverside, Tecumseh, Sandwich, Maidstone, Essex, Belle River, North Woodslee, South Woodslee, Ruscomb, St. Joachim, Comber, Tilbury, Merlin, Charing Cross, Chatham, Wallaceburg, Dresden, Port Lambton, Sombra, Florence, Bothwell, Thamesville, Courtright, Mooretown, Corunna, Sarnia, Wyoming, Petrolia, Inwood, Alvinston, Brigden, Shrewsbury, Blenheim, Ridgetown.

From the Haldimand field it is in position to supplement the supply for Hamilton.

The Hamilton manufactured gas plant is serving Hamilton, Burlington Beach, Bronte, Oakville.

The London manufactured gas plant serves London.

In addition to these places named, there are hundreds of consumers in rural districts.

In the territory served by the company and its subsidiaries is a population of 500,000. There are 70,000 connected meters and more than 250,000 tons of coke is sold annually.

Union Gas Company of Canada, Limited

LOOKING FORWARD

After a quarter of a century of development of the Natural Gas Fields of Kent, Essex and Lambton counties of Ontario and service to communities therein

This Canadian Company

has expanded its facilities until it and its subsidiaries are serving a population of 500,000 people between the Border Cities and Sarnia on the West to Oakville on the East, including the important industrial and commercial centres of Hamilton, London, Sarnia and Chatham.

Canadian in Management

and control from its inception until the present, the company has the utmost faith in the future of the Dominion and especially of that portion of Southwestern Ontario embraced in its logical territory.

Management and Control

continue and will continue Canadian in character and purpose and the comprehensive plans for the joint development of manufactured and natural gas facilities contribute to commercial and industrial progress in and adjacent to the Southwestern Peninsula.

This Company

has striven to conserve the natural gas resources of Ontario. The result is that today, with the demand for this perfect fuel growing and the service facilities better than ever, the known reserves are greater than for many years.

A Vital Part in the Comprehensive Plan

for the serving of this territory has been the merging of interests between this company and the companies serving Hamilton and London with manufactured gas. These companies, with exceptional facilities for the production of coke, as well as gas, have contributed substantially toward the solution of the fuel problem of central Canada.

Looking forward, the Union Companies believe that they have builded in a manner which will enable them more effectively to serve their customers, contribute to the welfare of the Province and Dominion, and lend the greatest stability to one of the most important industries—Gas—in the Public Utility Group.

UNION GAS COMPANY OF CANADA, LIMITED

AND CONTROLLED COMPANIES

Windsor Gas Company, Ltd. City Gas Company of London

UNITED FUEL INVESTMENTS LTD.

Hamilton By-Product Coke Ovens Ltd. United Gas & Fuel Co., Ltd.

The United Suburban Gas Co. Ltd.